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# REPORT

ON THE

TENTH MEETING OF MEMBERS OF  
CONGRESS AND OF THE EUROPEAN  
PARLIAMENT

SEPTEMBER 1976

PURSUANT TO

H. Res. 315

AUTHORIZING THE COMMITTEE ON INTERNATIONAL RELATIONS TO CONDUCT THOROUGH STUDIES AND INVESTIGATIONS OF ALL MATTERS COMING WITHIN THE JURISDICTION OF THE COMMITTEE



DECEMBER 1976

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## FOREWORD

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HOUSE OF REPRESENTATIVES,  
COMMITTEE ON INTERNATIONAL RELATIONS,  
*Washington, D.C., December 27, 1976.*

This report has been submitted to the Committee on International Relations by the members of the committee who participated in the meetings in Washington, with an official delegation of the European Parliament on September 21-23, 1976.

The findings in this report are those of the committee members and do not necessarily reflect the views of the membership of the full Committee on International Relations.

THOMAS E. MORGAN, *Chairman.*

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## LETTERS OF TRANSMITTAL

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HOUSE OF REPRESENTATIVES,  
COMMITTEE ON INTERNATIONAL RELATIONS,  
*Washington, D.C., December 27, 1976.*

HON. THOMAS E. MORGAN,  
*Chairman, Committee on International Relations, House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: We are submitting for consideration by the Committee on International Relations a report on the meetings held in Washington on September 21-23, 1976, by members of the committee, and other Members of the House with an official delegation of the European Parliament.

We hope that the report will be useful to the committee in its consideration of legislation relating to U.S. relations with Europe.

PAUL FINDLEY.  
DONALD M. FRASER.  
BENJAMIN S. ROSENTHAL.

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## PREFACE

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The 10th meeting of delegations from the European Parliament and from the Congress, recorded in this report, is significant for two reasons: the achievement, in the American bicentennial year, of 5 years of these meetings, an occasion marked by the presence of the President of the European Parliament, Mr. Georges Spénale, as head of the European delegation; and, the commitment by the two delegations to concentrate their efforts in future meetings on democratic development and the protection of human rights.

Each of these aspects of the September meetings deserves comment. When in January 1972 an American delegation arrived in Luxembourg, seat of the European Parliament, for the first meeting, neither American nor European participants could foretell the course of their relations. The European Parliament, at that time, represented the aspiration of the Community for political unity but with few of the attributes of a real European parliament. The Congressmen, while more confident of their roles within the American Government, were uncertain about the need for ties with the new European institution or the proper form for those ties.

From the hesitation and uncertainty of that first meeting, our mutual interests in closer ties have been both broadened by events of the past 5 years which have spurred both legislatures and made more specific through the diverse topics our delegations have studied together. The movement toward political unity in Europe has naturally enhanced the role of the Parliament, whose direct elections in 1978 are now the principal focus of the Community's political development. The 1972-76 period in the United States has seen an emphasis on congressional actions in both foreign and domestic affairs.

As the respective roles of the Parliament and the Congress grew in these 5 years, our need for organized discussions grew also. From the casual encounters in Luxembourg, we have progressed through 10 meetings to consider in detail the entire range of economic and political matters which constitute American-European relations. We have considered not only trade matters, with their obvious importance, but also the role of multinational enterprises, most of which originate in the 10 countries our legislators represent. We have studied not only our own economic and political ties but those which bind us to the rest of the world, including our responsibilities for development assistance. We have discussed our respective ties to the eastern European countries, including the Soviet Union. We have not avoided the delicate questions of U.S. military forces in Europe, or of political developments in southern Europe.

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Our discussions on democratic development throughout the world and on respect for human rights, summarized in this report, are a further and most significant elaboration of these common interests. As one of the papers presented in Washington stated: "A nation, or group of nations, which does not believe in itself and its ideals will not, in the end, survive." We believe that our shared support of political development which emphasize individual rights is relevant throughout the world. We intend, in our coming meetings, to reassert and to redefine this relevance with vigor and candor.

BENJAMIN S. ROSENTHAL.  
DONALD M. FRASER.

## PARTICIPANTS

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### MEMBERS OF THE EUROPEAN PARLIAMENT<sup>1</sup>

George Spénale, President of the European Parliament, France.  
Pierre-Bernard Cousté, Progressive European Democrat, France.  
James Scott-Hopkins, European Conservative, United Kingdom.  
Gerard Bordu, Communist, France.  
Jan B. Broeks, Socialist, Netherlands.  
Ernest Glinne, Socialist, Belgium.  
Roger Houdet, Liberal, France.  
Norbert Hougardy, Liberal, Belgium.  
Hans-Edgar Jahn, Christian Democrat, Germany.  
Sir Peter Kirk, European Conservative, United Kingdom.  
Thomas Nolan, Progressive European Democrat, Ireland.  
Luigi Rosati, Christian Democrat, Italy.  
Willem J. Schuijt, Christian Democrat, Netherlands.  
Michael Stewart, Socialist, United Kingdom.

### ACCOMPANYING STAFF

#### President's Cabinet:

René Bruch, Director.

Roland Bieber, Adviser to the President.

#### Secretariat of the Delegation:

Karlheinz Neunreither, Director.

Théo Junker, Principal Administrator.

Liz Foreman, Assistant.

#### Committees and Interparliamentary Delegations:

Michael Palmer, Director.

Axel Stahlschmidt, Head of Division.

#### Information and Public Relations:

Guy Vanhaeverbeke, Head of Division.

#### Protocol:

Maurice Mestat, Head of Protocol.

### INTERPRETERS

Ursula Padberg.

Herman Leroux.

Bernard Heidelberger.

Giancarlo Macario.

Susan Guest.

Caren Baviera-Betson.

### MEMBERS OF CONGRESS<sup>1</sup>

#### HOUSE OF REPRESENTATIVES

#### INTERNATIONAL RELATIONS COMMITTEE

Donald M. Fraser, Democrat, Minnesota, Cochairman.

Benjamin S. Rosenthal, Democrat, New York, Cochairman.

<sup>1</sup> See biographies, p. 65.

Paul Findley, Republican, Illinois.  
 Leo Ryan, Democrat, California.  
 Edward G. Biester, Republican, Pennsylvania.  
 Charles Whalen, Republican, Ohio.  
 Benjamin Gilman, Republican, New York.  
 Stephen Solarz, Democrat, New York.  
 L. H. Fountain, Democrat, North Carolina.

#### WAYS AND MEANS COMMITTEE

Sam Gibbons, Democrat, Florida.  
 Bill Archer, Republican, Texas.  
 Philip Crane, Republican, Illinois.  
 James Martin, Republican, North Carolina.

#### BANKING AND CURRENCY COMMITTEE

Henry Reuss, Democrat, Wisconsin, Chairman.  
 Paul Tsongas, Democrat, Massachusetts.  
 Thomas Rees, Democrat, California.  
 J. William Stanton, Republican, Ohio.  
 Millicent Fenwick, Republican, New Jersey.

#### AGRICULTURE COMMITTEE

Richard Nolan, Democrat, Minnesota.  
 Floyd Fithian, Democrat, Indian.  
 James Johnson, Republican, Colorado.

#### JUDICIARY COMMITTEE

William Hungate, Democrat, Missouri.

#### SENATE

#### FOREIGN RELATIONS COMMITTEE

Claiborne Pell, Democrat, Rhode Island.

#### STAFF

#### HOUSE INTERNATIONAL RELATIONS COMMITTEE

Clifford P. Hackett, Consultant.  
 Robert B. Boettcher, Consultant.  
 Jeanne M. Salvia, Staff Assistant.



## CONGRESSIONAL PROGRAM FOR EUROPEAN PARLIAMENT

SUNDAY, SEPTEMBER 19, 1976

Arrival of European delegation.  
Informal dinner by Ambassador Spaak.

MONDAY, SEPTEMBER 20, 1976

Morning—Sightseeing in Washington.  
1145—Mary Lou Burg, Democratic National Committee.  
1300—Luncheon and briefing at State Department.  
1800—Reception by Ambassador Spaak.

TUESDAY, SEPTEMBER 21, 1976

Congressional discussions—Room 2172, Rayburn House Office Building:

Morning:

0930—Question hour.  
1030—Coffee break.  
1045—MNE presentation and discussion.  
1045—Capitol reception EF 100.  
1300—Congressional lunch—Gold Room RHOB.

Afternoon: Executive branch program.

Evening: Informal congressional dinner by Mr. and Mrs. Fraser.

WEDNESDAY, SEPTEMBER 22, 1976

Congressional discussions—Room 2172, Rayburn House Office Building:

Morning:

0930—Political discussion—What steps can, or should, the United States and the European Community, take, through their foreign policies, to encourage democratic development and the observance of human rights in other countries?

1030—Coffee break.

1045—Discussion continued.

1215—Depart for luncheon by Dutch Ambassador.

Afternoon: Executive branch program.

Evening: Formal congressional dinner, Arts and Industries Building, Smithsonian Institution.

## THURSDAY, SEPTEMBER 23, 1976

Congressional discussions—Room 2172, Rayburn House Office Building:

## Morning:

- 0930—Economic and social discussion—What steps can, or should, the United States and the European Community take through their trade, economic and social policies to encourage democratic development and human rights in other countries?
- (1) Assistance programs review.
  - (2) Bilateral and multilateral trade relations.
  - (3) Monetary problems.
  - (4) Cultural and exchange programs.

1045—Coffee break.

1100—Economic and social discussion continued.

1130—Summary discussion and conclusion.

1200—Press conference.

## Afternoon:

1355—Depart for Springfield, Ill., via Chicago (lunch en route).

1642—Arrive in Springfield, transfer to Holiday Inn.

1900—Reception, State Museum.

## FRIDAY, SEPTEMBER 24, 1976

## Morning:

0915—Depart by bus for New Salem.

0945—Tour with guide of restored village.

1115—Depart for Stone farm.

1130—Tour of farm and discussion with farmers, county agent etc. Informal lunch at farm.

1400—Depart for Springfield.

1430—Tour of Lincoln Home.

1530—Depart for Holiday Inn.

1545—Panel Discussion with Illinois Press Association (to 1715)

1900—Reception and dinner with Illinois Press Association.

## SATURDAY, SEPTEMBER 25, 1976

0900—Depart hotel for airport via Lincoln tomb.

1105—Depart for Chicago and trans-Atlantic connections.

Tuesday, September 21, 1976

## SUMMARY OF DISCUSSION

### SESSION I. A. QUESTION AND ANSWER PERIOD

Mr. Glinne introduced the European Parliament delegation's first question addressed to the U.S. Congress delegation. The question read:

The Conference on International Economic Cooperation (The North-South dialogue) between industrialized and less developed countries is considered by the European Community to be of fundamental importance for the future development of the world economy. The second phase of the dialogue has begun 14 September in Paris, after the first phase had ended in partial disagreement in July.

What is the opinion of the delegation from the U.S. Congress on the possibility of agreements in the four discussion areas, energy, raw materials, development and finance?

What opportunity does the American delegation see for joint policies and ventures between U.S. and EC interests in the furtherance of economic development in the Third World?

Mr. Rees replied that the United States did not yet have a definitive policy towards the Third World. In some areas, however, the United States was working towards such a policy. For instance the House of Representatives had pressed for changes in the articles of the International Monetary Fund (IMF) approving the removal of IMF resources from the gold standard, selling gold and using the proceeds. Countries with serious balance of payments problems could borrow from the fund, and also from a compensatory fund dealing with export earnings of developed countries. Greater leadership by governments and parliaments was required to force the IMF, which often takes a banker's attitude, to develop its potential for helping the poor countries.

### CONGRESSIONAL SUPPORT MISSING

The United States was not increasing its bilateral aid partly because of waning congressional support and increasing public cynicism concerning the use of aid which had been given over such a long period by the United States. The United States was also remiss in its obligations to several international financial institutions. Aid was, regrettably, used by the United States more as an instrument of foreign policy than one of help to the countries which needed aid most.

At the most recent UNCTAD Conference, the developing countries came up with a number of good proposals to which the United States and the European Community had nothing of substance to offer in return. The speech made by Secretary of State Kissinger at UNCTAD was "an inch deep and a mile wide." Secretaries Kissinger and Simon had blamed the Communist countries for the lack of reaction to the U.S. Common Fund proposal, but the fact was that this proposal was made too late and without sufficient preparation.



## PRIVATE INDEBTEDNESS A PROBLEM

He noted that much of the aid and loans for developing countries was raised privately. A different approach towards the indebtedness of less developed countries from that of public debts needed to be found.

Stabilization of commodity prices—short-term price fluctuations—could be helped by a common fund, but on a case by case review. Because some of the biggest exporters of raw materials were developed countries such as the United States, the Soviet Union, Canada and Australia, fixing high prices for raw materials exports would not necessarily help the developing countries' economic situation.

Loans and private investment could be of great help to the developing countries but under Secretary Simon the U.S. Treasury attitude to loans to the developing countries had not been helpful. The main need of the poorer countries was private capital. It would be helpful if guarantees could be worked out and provided for investors in the Third World. Some form of investment code and protection for investors was necessary.

## DIRECT ELECTIONS

Mr. Gibbons introduced the U.S. Congress delegation's first question to the European Parliament delegation :

Will the beginning of direct elections to the European Parliament have immediate effects on the Parliament's responsibilities or will these changes come only gradually as direct elections affect the political life of the Community?

Mr. Stewart replied that there would be no immediate effects on Parliament's powers and responsibilities. These would come gradually. The only immediate change in law would be in the method of election of members. In fact, however, the authority of directly elected Members of Parliament would be greater and extensions of Parliament's powers would probably follow. At present, all members had a dual mandate. After direct elections many members would probably sit only in the European Parliament. They would be full-time members. This was bound to build up pressures for increases in Parliament's powers. Sir Peter Kirk was rapporteur of a report on this subject, which was at present before Parliament's Political Affairs Committee and which pointed in particular to the need for increased powers concerning the Community budget, the appointment of Members of the Commission, and in the field of external relations. As important as any formal increase in powers would be the probable increase in Parliament's political influence.

Mr. Gibbons asked whether the final documents concerning the direct elections were now ready.

Mr. Stewart said that the agreement between the governments had been signed the previous day in Brussels. The probable date for the first direct election was spring 1978. But Britain and other countries might have problems concerning parliamentary ratification and the date for elections might have to be put back. He personally believed that elections would probably be held in May or June 1978.

## MONETARY DEVELOPMENT

Mr. Cousté introduced another question addressed by the European Parliament delegation to the U.S. delegation. The question read :

What proposals does the U.S. delegation suggest for the further development of the International Monetary System?

Mr. Stanton replied that the United States had been trying to legitimize parities which existed already. The United States has tried to help realine currencies. It had decreased the value of gold and also increased SDR's. The primary concern of the United States in the immediate future was to strengthen the role of the IMF. The present deficit problems had to be ended or reduced. Three possibilities exist: One approach would be to declare a debt moratorium, but this would be unwise and could lead to the collapse of the banking system. Another would be for the IMF to print money, but this would cause inflation and would also lead to the collapse of the banking system. Third is a search for ways to bolster the IMF in covering deficits.

## MULTILATERAL TRADE NEGOTIATIONS

Mr. Martin introduced question No. 2 addressed by the U.S. delegation. The question read :

During the coming GATT negotiations, what does the European delegation foresee as the major agricultural issues confronting the United States and the European Community. For example, are equitable solutions possible on dairy products, vegetable oils, and feedgrains?

Mr. Houdet, in reply, said that the United States and the Community had discussed agricultural questions together in the past and had agreed on some issues. Both sides had to agree on medium-term and long-term agricultural policies which would insure stability and supplies. It should be remembered that U.S. agricultural exports to the Community were very much greater than those in the reverse sense. Milk products posed special problems but the problem here was not just an agricultural one but also social in nature in view of the comparatively high number of Europeans still engaged in agriculture. The Community had always respected GATT rules on agricultural trade. It should be remembered that the Community had, in the past, urged world agreements concerning certain products and also urged the creation of world stocks of certain products.

Mr. Fraser invited participants to broaden the discussion of issues covered in the four questions.

## TOO MANY MEETINGS

Sir Peter Kirk commented that there seemed to be unnecessary duplication in the dialog between industrial and developing countries. There had been four UNCTAD meetings, the North-South dialog, and others. "We are over-talking" and not getting results on these problems. Could not the dialog be concentrated in one forum, and could not the OECD countries find a common position?

Mr. Stanton said that in his view the main problem was that the West had not done its homework properly in preparing proposals



aimed at the developing world—notably at the recent UNCTAD Conference. On this front nothing could be done until January 1977 when the new administration would take office.

Mr. Bordu said that “complementarity” was a big problem for the developing countries. New technology was needed in these countries. The question should be raised of whether the “rich” countries could be considered absolute masters of “their own wealth”. Were not the enormous debts of some of the developing countries only indications that the industrialized countries had found new ways of putting pressure on the poorer countries? The question of redeploying industry to the developing countries was an urgent one.

#### SIGNIFICANCE OF LOMÉ CONVENTION

Mr. Cousté wondered what was the role and interest of the U.S.S.R. and Eastern European countries in relations with the developing countries. It was important to recall that the Lomé Convention had stabilized receipts of the developing countries concerned for 12 products. The United States and Canada seemed to have reservations concerning this, but these receipts had a social as well as economic significance for the Lomé countries.

Mr. Glinne wondered whether the emphasis that had been placed on private investment, as opposed to state aid, reflected an ideological or political preference. Were the development plans favoured by the United States linked with reforms of the internal political structures of the developing countries concerned?

Mrs. Fenwick asked whether the methods which had been used in organizing the world tin market—which seemed to have been very successful—could be applied to other products. She also asked whether it was wise to give loans to the developing countries in a way which only seemed to cripple the recipients by leading them into enormous debt problems. Mr. Stanton said that the questions raised in the general discussion had been most intriguing though he suspected that at some times questioners had themselves attempted to answer their own questions. The point made by Mr. Cousté about Soviet involvement was of course an important political question. Mr. Rees had probably been right in stressing the significance of the involvement of the private sector.

#### FORD, CARTER FOREIGN POLICIES

Mr. Jahn asked what differences were there likely to be between the foreign policies of President Ford and those of Governor Carter were he to become President.

Congressman Archer considered that if Governor Carter became President there would not be serious changes in foreign policy, though he would almost certainly carry out a review of U.S. foreign policy. Such a review could make Europeans nervous, particularly on troop levels, but he did not think that there would be any significant changes, though minor cuts might perhaps be made to U.S. forces in Europe and in Korea. Middle East policy would remain the same.

Mr. Fraser agreed that no major changes would occur in foreign policy if Governor Carter became President though there could be shifts of emphasis. In particular, Mr. Carter might wish to step up the consultation with Europe and Japan concerning relations with the Soviet Union, etc. He thought that Mr. Carter would be interested in increasing aid and would also place more emphasis on the importance of human rights in foreign policy.

Mr. Martin said that he thought Mr. Carter would be concerned in the United States playing a more important role in international conferences.



## SUMMARY OF DISCUSSION

### B. DISCUSSION OF DRAFT CODE ON MULTINATIONAL ENTERPRISES <sup>1</sup>

Mr. Gibbons briefly reviewed the events over the last few years during which participants in these meetings had cooperated in producing the draft code of principles on multinational enterprises and governments which had been drafted by Mr. Lange and himself. The draft had been circulated both in the U.S. Congress and in the European Parliament. Unfortunately Mr. Lange was unable to be present in view of unexpected and pressing electoral commitments in Germany.

Mr. Gibbons drew particular attention to the recent addendum containing paragraphs 48-54, and also the corrections to paragraphs 19, 21 and 32, and invited discussion of them as some members had not yet seen them.

In view of Mr. Lange's absence it would not be possible to hold an indepth discussion on the paper on this occasion, but he hoped that he would be able to reply to any questions put by members of the two delegations and expressed the wish that suggested amendments or changes should be sent in writing to Mr. Lange or himself so as to permit full debate of the revised draft code, and possibly a vote on it, at the spring 1977 meeting.

Sir Peter Kirk asked what relationship there was between paragraphs 7 and 52.

#### ILLEGAL PAYMENTS

Mr. Gibbons said that paragraph 52 was not limited by paragraph 7. A U.S. subsidiary would be affected by paragraph 52 when acting anywhere in the world. He then discussed provisions of the revised U.S. Tax Code recently passed by Congress which dealt with disallowing as a tax deduction any illegal payment by a U.S. corporation.

Mr. Cousté said that he had been asked by Mr. Lange to convey his apologies to the two delegations. He had been obliged to accept unforeseen commitments in the German electoral campaign. Mr. Lange maintained his full interest in moving ahead with the code on multinationals and hoped that the two delegations would be able to agree on a final text at the next meeting on the basis of suggestions sent in by participants.

#### APRIL DISCUSSION NOTED

Mr. Hougardy remarked that comments made by Mr. Archer and himself at the Dublin meeting in April 1976 had not been taken into account in the revised version of the code as presented. He understood that written amendments could be submitted to the two draftsmen. He wished to remind those present that at the OECD ministerial meeting held on June 21-22, 1976, important decisions had been taken on international investment and on multinational enterprises. Besides the Nine

<sup>1</sup> See working document, p. 15.



and the United States, the OECD included countries such as Austria, Canada, Australia, Japan, Switzerland and Sweden. Both employers and trade union consultative bodies had already expressed satisfaction that the OECD text had been agreed. Would it not be dangerous to have several texts dealing with the same subject?

He emphasized that most companies quoted on the U.S. stock exchange already had to provide very detailed information in their annual report to shareholders.

He asked for clarification of the concept of transfer prices and costs. The Lange/Gibbons Code hardly mentioned governments. A code of good conduct was just as necessary for governments as for multinational enterprises. Questions like retroactive legislation and "first in first out" taxation should be covered. Should the code include only some or all industrialized countries? Should it be voluntary or obligatory? Many points still had to be clarified.

#### SUBSTANTIVE OBJECTIONS

Mr. Archer referred to the objections he raised in Dublin, and observed that the changes made since then were simply matters of detail and procedure, and did not answer his substantive objections. In particular he criticized:

(1) The draft's lack of specificity, in particular with regard to reports of investment, the capital market, and transfers of technology;

(2) The lack of detail on the control body, in particular who was to form it, run it, how it would relate to existing bodies. Mr. Archer felt that powers of such magnitude should be reserved for elected officials;

(3) The lack of protection of individual rights, and the lack of confidentiality of information given to the control body;

(4) The irrelevance of the tax section, because such matters should be covered by national legislation, or official international agreements; and

(5) The naïvete of the draft, since it duplicated the OECD draft.

Mr. Bordu raised questions concerning competition. Would the control body in fact control the free movement of capital and technology transfers. In particular he asked whether the exchange of know-how would benefit large MNC's at the expense of smaller ones.

#### BASIC DISAGREEMENT

Mr. Gibbons, replying to the discussion, said that he appreciated the clarification of Mr. Archer's point of view. Quite frankly, Mr. Archer and the draftsmen of the Code seemed to be in basic disagreement. What Mr. Archer was really asking was "Do we need this Code?"

The OECD text did not exist when the two delegations had started work on their own draft code, but it should be remembered that the OECD Code was merely an expression of good faith and was not intended to be binding or to be executed.



He looked forward to receiving written comments and hoped that Congressman Archer, Mr. Hougardy and others would send Mr. Lange and himself their observations. Mr. Lange and himself would submit a new text at the next spring meeting.

Before concluding the discussion for the first day, Mr. Fraser relayed Mr. Findley's invitation to the European Parliamentarians to attend a "Soybean Fair" later in the day. He also announced the news that Orlando Letelier, former Chilean Foreign Minister and Ambassador to the United States, had just been killed in a car bombing incident in Washington.



## PAPER

### A DRAFT CODE OF PRINCIPLES ON MULTINATIONAL ENTERPRISES AND GOVERNMENTS

Paper by: Erwin Lange and Sam Gibbons

#### PREFACE

We, as representatives of the European Parliament and the United States Congress, urge agreement to the principles embodied in this Code.

We do so with the knowledge that other groups and organizations have undertaken useful work in this area, but that little progress has been made toward establishing a framework of law and responsibility for multinational enterprises and governments.

We hope that this Code will prove to be a fruitful effort toward that end, and that it will serve as the basis for needed changes in national laws, government practices, international agreements, and the policies of multinational enterprises.

#### INTRODUCTORY REMARKS

1. The internationalization of production is a logical consequence of the development of our economies. As such, it is a positive phenomenon, contributing to economic growth and increasing prosperity.

2. Nonetheless, the organization of operations beyond national borders by multinational enterprises may lead to undesirable concentrations of economic power and to conflicts with national policy objectives.

3. Therefore, it is appropriate to seek to encourage the positive contributions which multinational enterprises can make to economic and social progress and to minimize and resolve the difficulties and problems which may arise from their operations.

4. Just as it is normal for firms increasingly to carry on activities beyond the frontiers of their own country, so it is normal and necessary for an international framework to be set up for these international activities, obliging the firms in question to respect certain basic rules and at the same time offering them the necessary legal security.

5. Economic integration, as embodied in multinational enterprises, has stolen a march on politics, for which in most cases the national frontiers remain the relevant framework. Although far-going economic interdependence can be a useful stimulus toward political integration, it is nevertheless, essential in international relations too for public policies to take precedence over economics; that is, the framework in which the multinational enterprise operates must be under political control. This condition is not being met at present. Accordingly, certain rules need to be laid down in an international agreement.

6. The problems connected with the activities of multinational enterprises can no longer be dealt with only in a national context and cannot yet be solved on a world scale. Agreements on multinational enterprise activity among industrial nations would represent a great step forward. The delegations of the United States Congress on the one hand and that of the European Parliament on the other can in the first instance help to bring about an agreement between the United States and the European Community, to which Japan, Canada, and other industrial countries may later accede.

#### GENERAL FRAMEWORK

7. International agreements are to be concluded initially between the United States and the European Community. Subsequently, the agreements are to be expanded to include all world nations.

8. The agreements are to have the force of law in all nations which are parties to them and are to impose legally binding obligations on firms based in or operating in those countries.

9. For purposes of this Code, multinational enterprises (MNEs) are defined as companies of private, state, or mixed ownership established in different countries and so linked that one can exercise a significant influence over others.

10. These international agreements are to be implemented and enforced through the mutual cooperation of the governments which are parties and through existing institutions of international law.

11. If mutual cooperation and existing international institutions fail to adequately implement and enforce the agreements, an international secretariat may be established to administer these agreements. In establishing a secretariat, due regard is to be given to the population and economies of the government parties involved.

12. The agreements are to bind all firms so as not discriminate against multinational enterprises and in favour of national enterprises.

13. Multinational enterprises are to obey national and international laws and to respect the national policy objectives of parent and host countries.

14. Governments which are parties to these agreements are to treat multinational enterprises according to international law and are to deal with conflicts of national laws as they affect multinational enterprises. When necessary, in cases of disputes over investments and other matters, governments are to use international dispute mechanisms. Where such mechanisms fail to resolve disputes, host countries are to prevail.

15. During the time prior to the completion of these agreements, the governments which are to be parties shall enter into temporary agreements under which the provisions of this Code are to be followed. These transition agreements shall provide for efforts toward harmonization of national legislation to reach compliance with the provisions of this Code in anticipation of the permanent agreements.

*Explanatory note.*—From the outset, the governments which are to be parties to the international agreements should consult and conclude agreements on administrative aid and on the mutual recognition and enforcement of court judgments, etc., in order to acquire a measure of control over the international activities of these enterprises until effective international agreements have been worked out. Better cooperation among government authorities in this transition period will do much to prevent the circumvention of national laws and policies.

#### INFORMATION

16. Every multinational enterprise is to publish a yearly report disclosing the scope and nature of its activities, the financial situation of the enterprise, and the connections between it and other enterprises. Comparable national enterprises are to publish this same information.

17. The following information, broken down by specific operations (lines of business) and countries of establishment, is to be published:

- (a) The financial and operational structure of the enterprise.
- (b) The financial and personal links with other concerns.
- (c) The funds invested, reinvested, and transferred to the home country of the enterprise.
- (d) The origin and composition of capital, existing and new.
- (e) The number of employees, jobs created, jobs abolished, and host country nationals working at various levels of the enterprise.
- (f) The balance sheet and profit and loss account, including gross sales.
- (g) The total amount of taxes paid, broken down to show the amount of each type of tax paid and the amount of each type paid to each individual taxing authority.
- (h) Expenditures on research and development.
- (i) Income from royalties, licenses, and management contracts.
- (j) Such other reasonable information as is requested by government authorities.

Due regard is to be given to legitimate reasons for firms to preserve the confidentiality of certain business information. Governments are to agree on safeguards and penalties to prevent the inappropriate and indiscriminate use of information provided by multinational enterprises and other enterprises.



18. Multinational enterprises of significant size are to use a system of standardized annual accounts and reports. This system is to be established pursuant to international agreement.

#### COMPETITION

19. All information relevant to the operation of a multinational enterprise, including information in the hands of its establishments abroad, shall be accessible to antitrust bodies. National antitrust bodies are to exchange information and mutually support each other in investigations of restrictive practices, and are to be able to take joint action against restrictive cartels and against abuses of power.

*Explanatory note.*—Multinational enterprises, like other large enterprises, frequently have technical or financial advantages over their competitors, giving them a certain position of power. Competition policy should be aimed at checking abuse of this position. To achieve this, much more intensive cooperation is essential between antitrust authorities of the United States and the European Community. Controlling multinational enterprises is made more difficult by the problems of implementation than by shortcomings in national legislation. The antitrust bodies are frequently unable to prove abuse by a multinational enterprise because the necessary evidence is in the hands of another of its establishments abroad, creating the need for free access to information.

20. The international agreements are to provide safeguards and penalties to prevent the inappropriate or indiscriminate use of antitrust information for purposes such as the creation of a competitive advantage for another firm.

21. Multinational enterprises are to avoid action which would adversely affect competition, such as price fixing, restricting the freedom of operation of subsidiaries and licensees, acquiring interests in competitively significant enterprises, or engaging in restrictive cartels or agreements. They are to cooperate with government competition enforcement authorities and to provide information requested by these authorities.

22. Governments are to enforce antitrust laws against the various enterprises objectively and are to treat all enterprises in a nondiscriminatory manner.

*Explanatory note.*—There appears to be a trend toward increased involvement of governments in enterprises, including direct ownership of firms. If this trend continues, it can be questioned whether such governments can continue to remain objective with regard to the enforcement of antitrust and other laws against enterprises in which they are involved, as opposed to other enterprises.

#### INVESTMENT POLICY

23. Multinational enterprises are to report planned investments to government authorities in the countries where the investments are to be made. These government authorities have the right to regulate investment in their countries.

24. The governments of nations that are parties to these agreements are to promulgate regulations governing open bids for total or partial takeovers of existing firms. Such regulations are to provide that adequate prior information be given to government officials, to officials, workers, and shareholders of the firm to be taken over, and to trade unions.

*Explanatory note.*—More than half of all direct investments abroad involve takeovers of existing firms rather than new, direct investments. Policy considerations dictate greater restrictions over such takeovers of existing firms.

25. The international agreements are to harmonize existing national investment regulations, including guaranteeing, in the event of foreign takeovers of firms, protection of jobs, investment policies, maintenance of national management, maintenance of research activities, and a certain share of exports. The agreements, while recognizing national policy objectives, are to minimize distortions to trade and investment, to harmonize incentives and disincentives, and to avoid discrimination based on country of origin.

*Explanatory note.*—Regulations currently in effect in Canada, Belgium, and Britain provide certain guarantees in the event of foreign takeovers of firms.

#### FISCAL POLICY

26. Multinational enterprises are to provide government tax authorities with the information necessary for a correct determination of taxes due. Multinational enterprises may not use the distortion of transfer prices and other practices which alter their tax base or contravene national tax laws or policies.

27. Accounting practices of multinational enterprises and tax policies of governments are to reflect the principle that taxes are to be paid in the country where the income is earned. Dividend and interest income are to be taxed to shareholders and investors by their respective governments. Government authorities may disregard third party holding companies and other entities used to hold income and thereby avoid taxation by taxing this income directly to shareholders as though it were received currently.

28. Government authorities are to:

(a) Upgrade present efforts to facilitate the enforcement of national tax laws and policies by entering into tax treaties or other international agreements providing for the comprehensive mutual exchange of information and assistance. Adequate staff support is to be provided for these efforts. Tax authorities of several governments may engage in simultaneous or joint audits of selected enterprises.

(b) Seek to harmonize the withholding tax on portfolio investment in the various countries.

(c) Seek to harmonize other national tax laws, especially those affecting foreign investment.

(d) Take steps to combat the abuse of agreements for the avoidance of double taxation.

29. International agreements are to provide for common actions against enterprises that misuse tax havens. For purposes of this paragraph, tax havens are defined as countries or areas with many or all of the following characteristics: low taxes, little or no exchange control, bank secrecy, no exchange of fiscal data with foreign authorities, a developed banking system, and political stability. The agreements are to provide for coordinated international action against such enterprises, such as denial of the right to open new facilities in the countries that are parties to these agreements, or denial of tax deductions for payments to tax haven countries in computing tax due to any of the countries which are parties to the agreements, or elimination of the withholding tax on portfolio investment for all investors except those giving tax haven countries as their residence.

30. The agreements are to provide for establishment of effective international mechanisms for the settlement of tax disputes.

31. The agreements are to provide safeguards and penalties to protect against the inappropriate and indiscriminate use by governments of tax information provided to them.

32. The agreements are to provide for the elimination of undue secrecy surrounding reporting of income by banks and others in all countries.

*Explanatory note.*—Such secrecy is not justified and is harmful to the legitimate revenue interests of all countries.

33. The agreements are to provide for coordinated action by government tax authorities instead of unilateral corrective action. Such coordinated action may include penalties for violations of principles established by the agreements and by special agreements among the various countries.

*Explanatory note.*—Unilateral corrective action in tax areas such as financial secrecy, determination of transfer prices, or action against tax haven holding companies could result in flights of capital to other countries. This provision envisions coordinated action under these international agreements to prevent adverse consequences which could result from unilateral action and to effectively eliminate the non-taxation of income.

34. Measures for corporate or shareholder tax relief or integration of corporate and personal income tax systems currently being implemented or studied are to be modified or reconsidered so as to prevent discrimination against foreign shareholders.

*Explanatory note.*—Tax relief or integration measures which discriminate against foreign shareholders are not compatible with the free flow of investment, and thus should be modified or reconsidered.

35. The agreements are to provide for the elimination of discrimination in tax treatment against foreign-based enterprises by governments using any method of tax assessment, including the unitary method.

*Explanatory note.*—Under the unitary method, a multinational enterprise is taxed on the basis of its consolidated profit, and the profit assigned to a particular firm by government tax authorities is based on the firm's sales in a country or state and its assets and employment there. There are some indications that



this method of taxing is being administered inequitably with regard to foreign-based enterprises.

36. Transfer prices are defined as the prices applied in transactions which take place within an enterprise. The following provisions applicable to transfer prices of goods apply equally to transfer prices of services, including financial services and payments for the use of technical know-how, trademarks, and patents.

37. Government authorities are to supervise transfer prices and act against enterprises employing transfer price practices directed at avoiding taxation.

*Explanatory note.*—Transactions within multinational enterprises (between subsidiaries of the same enterprise or between a subsidiary and the parent company) constitute an important part of international trade. Fixing the prices for these operations gives multinationals possibilities that firms with establishments in only one country may not have, and may put multinationals in a position to make more profit. A multinational enterprise can have various reasons for setting a transfer price different from the price applicable to a sale from the firm to another independent firm. An enterprise with operations in various countries seeks to declare the highest possible profit in countries with low taxation levels and to keep declared profit low in countries with high taxation levels. Multinational enterprises may also seek to set transfer prices such that more profit goes to wholly owned subsidiaries than to firms in which they have only part interest. Multinationals may use transfer price setting to achieve low profits or losses in countries where subsidiaries face important wage negotiations. Stability of currency in the country of establishment, exchange control, and risk of nationalization are also factors here.

38. The agreements are to provide for establishment of rules for transfer pricing and a mechanism for determining appropriate transfer prices.

*Explanatory note.*—Such rules can be based on the arms length principle, the cost-plus basis, a comparison of reported transfer prices with prices of similar goods delivered during a recent period of time or goods delivered at another location at about the same time, or a comparison of the profit or loss margin on the goods with average profits and losses on similar goods sold by other firms.

39. Governments must apply whatever taxing methods are employed to tax various enterprises on an equitable basis, so as not to discriminate.

*Explanatory note.*—Governments may sometimes tax firms which use transfer pricing by taxing at a figure higher than reported profit where the latter figure is judged too low. Whatever method is employed must be applied in a non-discriminatory manner.

#### CAPITAL MARKET POLICY AND MONETARY POLICY

40. Multinational enterprises are to respect the balance of payments and the monetary and credit objectives of parent and host countries.

41. Consideration is to be given to requiring banks in countries which are parties to these agreements to regularly inform the central banks of their countries of domicile of their forward exchange positions. Information is to be supplied monthly and is to cover all capital movements within the enterprise. These regulations are to be expanded to apply to all countries of the European Community and the United States and to all enterprises of significant size.

*Explanatory note.*—It is desirable for monetary authorities to have accurate data on international capital movements. The procedure set forth here follows that currently used in some European countries.

42. Government authorities are to avoid unduly restrictive capital controls and are to consult and cooperate in doing so.

43. Enterprises are to allow residents of host countries to acquire their shares. Agreements can provide that a foreign enterprise having recourse to the capital market in the host country must do so partly through an increase in its equity capital available to host country nationals.

#### SOCIAL POLICY AND LABOR MARKET POLICY

44. Multinational enterprises are to afford representatives of the workers the opportunity to hold consultations with management responsible for the policy of the firm. Group works councils or other appropriate labour representatives must be allowed to negotiate directly with the central management. Alternatively, the management of the national firm is to provide the workers with all information relevant to their well-being and working conditions and to act with the necessary autonomy.



*Explanatory note.*—This paragraph focuses on the situation often present where trade unions of a country have to deal with management having only limited powers.

45. As a rule, at least one host country national is to have a seat on the management board of a firm that is part of a multinational enterprise.

46. Enterprises are to inform and consult with workers in good time on matters affecting them. In the event of mass layoffs, workers are to have an important voice in drawing up the labour phase-out plans. Enterprises involved in mergers are to guarantee retention of pension and other acquired rights. In cases of industrial labour disputes, operations carried out in some parts and branches of an enterprise are not to be taken over by other parts or branches of the same enterprise in order to thwart the legitimate and legal objectives of workers.

47. Multinational enterprises are to recognize trade unions, workers' bargaining units, direct representatives of the staffs (work councils), or other duly constituted workers' organizations as contractual partners in negotiations on wage agreements and the fixing of work conditions of the workers employed in a firm. Steps are to be taken to establish the framework for internationally valid collective bargaining agreements.

48. Multinational enterprises are to observe national and local employment and industrial relations laws, standards, and practices.

49. Multinational enterprises are to avoid discrimination on the basis of sex, age, religion, race, ethnic or national origin, or political activity.

50. Firms are to provide jobs in the host country for host country citizens. Local nationals are to have seats on the management bodies of firms or subsidiaries.

#### TECHNOLOGY

51. Multinational enterprises are to add to local scientific and technological capabilities and are to permit the dissemination of technological know-how on reasonable terms.

#### PERNICIOUS POLITICAL ACTIVITIES

52. Multinational enterprises shall not make or be solicited to make payments in money or other items of value to host government officials, other than for manifest public purposes. Multinational enterprises shall not contribute to political parties or candidates in any way unless such contributions are lawful and details on the amounts and beneficiaries are disclosed in a timely manner.

*Explanatory note.*—This provision is aimed at preventing multinational enterprises from attempting to exercise undue influence over host country policies.

53. Governments are to adopt strong penalties for violations of the foregoing prohibition. Penalties may include any of the following: denial of a business tax deduction for any such unlawful payments; heavy fines and/or prison sentences, and the denial of normal business tax treatment and benefits to any business income connected with such unlawful payments.

54. Member governments which have concluded an international agreement covering pernicious political activities are to assume an active role in sharing with other governments involved any information they have on any such activity perpetrated by officials of an enterprise or by government officials.

Wednesday, September 22, 1976

## SUMMARY OF DISCUSSION

### SESSION II. POLITICAL DISCUSSION

(Working Documents by Mr. Hougardy, Mr. Crane, Mr. Fraser, Mr. Broeks, Mr. Schuijt, Mr. Stewart)<sup>1</sup>

General Theme: "How can the United States and the European Community, through political and economic relations with other countries, try to promote democratic development and respect for human rights?"

Mr. Findley welcomed Mr. Georges Spénale, President of the European Parliament.

Mr. Spénale informed members about the important decision of the Council of the EC of September 20, 1976, concerning direct elections to the European Parliament to be held in May/June 1978. He underlined the historic importance of this long awaited step toward European integration. "The European Parliament is from now on a parliamentary assembly in transition preparing the structure for the growing tasks of the future," he said.

Summarizing his prepared paper, Mr. Hougardy emphasized that if the United States and EC are confident that democracy provides the best guarantee of human rights, that belief should be reflected in external economic policy. In an interdependent world, however, political differences should not be allowed to disrupt trade. Economic development assistance should not be confined only to loyal allies but also to countries critical of Western society provided they demonstrate a commitment to human rights. Where there seems to be a reasonable chance of success, economic pressure might be used towards achieving the release of political prisoners as well as the furthering of emigration for example. The United States and EC could encourage progress towards democracy by showing that they were generous in economic relations with poor countries and that they were able to adapt readily to changes in the world economy.

### NEW ORGANIZATION PROPOSED

Mr. Crane, in a discussion paper entitled "Promoting Free Institutions in the Postwar World: The U.S. Role," proposed the formation of an Association of Freedom-Loving Nations, organizationally patterned along the line of the Council of Europe but with a worldwide geographic base. Characterizing the United Nations as an ineffective and unacceptable vehicle for promoting democracy, Mr.

<sup>1</sup> See pp. 25-42.



Crane suggested the Association as an alternative with a more restricted membership. It would be committed to the promotion of human rights and limited self-government and support of the free world against the forces of communism. There would be two categories of membership: full membership for nations with a proven record of guaranteeing individual rights; and associate membership for those nations who do not meet the requirements for full membership but which are nonaggressive and anti-Communist.

Mr. Fraser referred to his prepared paper as background material and distributed two additional sheets—a record of congressionally initiated legislative acts concerning human rights in U.S. foreign policy, and eight proposals for promotion of human rights for the European Parliament and U.S. Congress. He then made several points:

In the present-day lexicon of international policies, the term “democratic government” cannot be equated with the concept of full enjoyment of human rights. In a number of non-Communist one-party states, for example, there are strong limitations on free expression. The United States and EC cannot presume to instruct these nations on democracy, since this can develop only through an evolutionary process. The United States and EC can, however, demonstrate to them that democracy can work and help them build their economies so that nationhood can survive.

#### GRADATIONS IN HUMAN RIGHTS

There are gradations of human rights with some rights more widely accepted than others, such as rights against torture, arbitrary arrest and unreasonably prolonged detention. Many governments are willing to concede that they place restrictions on press freedom, for example, but none will admit to the practice of torture. This at least shows that they regard torture as an unacceptable practice in the world, even though they may engage in it themselves. Congressional efforts have set guidelines for U.S. policy which concentrate on such fundamental violations.

The United States and EC should work together with others to reach common views as to how to proceed in protecting these fundamental human rights. He referred to the list of eight proposals he had distributed and made specific mention of two: a proposal for an international parliamentarians' newsletter on human rights for the exchange of information and coordination of parliamentary efforts in defense of human rights worldwide; and a proposal for facilitating active cooperation among democratic political parties by convening an annual world continuance on human rights, and establishing a permanent secretariat. Regarding the latter proposal, he reported that meetings have been held among some of the major world organizations of democratic parties, and that another meeting is scheduled for December 4 in New York for the purpose of planning the first world conference in spring, 1977. He also proposed establishing some kind of international protective organization for parliamentarians who fall victim to government repression.

## EXAMPLES OF GREECE

Mr. Broeksz complimented Mr. Fraser's statement, voicing agreement with its emphasis on the worst violations against the person. He asserted that one must be willing to pay, economically, if one is to fight violation of human rights, and noted that the EC had indeed done so in the case of Greece under the military junta when the EC "froze" the implementation of economic agreements with Greece. He expressed the hope that by concentrating on a few of the worst human rights violations, more progress might be achieved. He laid special emphasis on the necessity of fighting against the application of torture in Chile, Argentine and Uruguay.

Mr. Stewart noted that although many nonaligned nations suspect that industrial democracies are latently racist because of policies in southern Africa, the western democracies should not be shy proclaiming their democratic convictions. Next year's Belgrade conference to review the progress of the Helsinki agreements might be a good opportunity to contrast these democracies' adherence to human rights with the double standard employed by repressive governments who criticize the democracies in international forums such as the United Nations.

## REDISTRIBUTION OF WEALTH

He argued for efforts by the industrial democracies to bring about a redistribution of the world's wealth through increasing aid and trade. He emphasized importance of a settlement for majority rule in Rhodesia, and in response to points made by Mr. Crane, asserted that Rhodesia is an opportunity for the free world nations to promote freedom.

Speaking in more general terms Mr. Stewart stressed the need for joint action by parliamentarians on both sides of the Atlantic to put pressure on their governments to act in these areas.

Mr. Schuijt proposed that for the next meeting, a joint U.S.-EC text be prepared on the promotion of human rights and democracy and that as of now we should start talking of practical problems. The text, to be worked out by four or five American and European Parliamentarians should contain specific proposals for both the long and short term. He generally agreed with the Fraser proposals, noting that while they cover action by parliamentarians, political parties and governments, perhaps the possibility for most rapid action is in parliaments.

## AN APPROPRIATE THEME

Mr. Cousté said that emphasis on human rights and democracy is a most suitable theme for the 10th U.S. Congress-European Parliament meeting. Human rights should not be viewed in theoretical terms, but must be considered in the political and economic context.

First of all, Europeans and Americans must insure that human rights are respected in their own countries, and that whatever sacrifices may be made for European union, that union must always protect and promote freedom; nor should Eastern Europe be forgotten—the Soviets fear freedom in Europe.



He complimented Mr. Fraser's proposals and the example set by the U.S. Congress in international human rights legislation. The Helsinki agreements should not be ignored, but should be a permanent point of reference. The proposals made by Mr. Fraser should be followed up by the European Parliament.

Mr. Nolan expressed the hope that Secretary Kissinger's diplomacy in southern Africa would succeed and signal a reversal of the American tendency to spend great efforts on security but not enough on democracy. He spoke favourably of Mr. Fraser's proposals but hoped that success against the worst violations of human rights would not divert attention from other violations.

He judged that military aid could only support continued repression in offending régimes, and that such aid should be opposed for these cases. He discussed the possibilities of and limits to politico-economic boycotts, and considered that such action could be effective when carried out with the support of international organizations such as the United Nations, and the support of regional groups such as the European Community.

He asked which rights should we seek to protect, and how should we determine when these rights have been violated. He agreed with Mr. Broeksz's suggestions, and supported efforts to protect human rights worldwide, not only by moral leadership but also by practical actions.

Mr. Johnson pointed out the differences between diplomatic relations, support and intervention, and cautioned against acting as if "we are God's chosen children."

#### THE SECURITY DILEMMA

Mr. Solarz spoke on the dilemma between security interests and the defense of human rights. If the survival of a régime is not vital to the West, then it should be isolated politically and economically, but if its survival is vital to the West then some special leverage should be used. He noted that the impact of leverage on human rights practices is often limited and the United States does not have a record of effectiveness.

He cited South Korea as a particular dilemma, and stressed military balance of power considerations in human rights questions. Geopolitical interests, he said, sometimes need the support of repressive regimes.

Mr. Jahn welcomed the Fraser proposals, stressed the need for joint action by the Western democracies, both in general and specifically in regard to implementation of the Helsinki agreements. He urged that there be a group to report regularly on human rights for the meetings of the European Parliament and U.S. Congress. He specifically treated the aspect of the implementation of "basket III," of the Helsinki agreements and expressed his deep concern about the state of affairs in this field.

[Discussion continues next day.]

## PAPERS

### THE ECONOMIC POWER OF THE UNITED STATES AND THE EUROPEAN COMMUNITY AND THE DEMOCRATIZATION OF POLITICAL SYSTEMS IN OTHER COUNTRIES

Paper by N. Hougardy

If we are confident that, despite its shortcomings, democracy provides the best guarantee of fundamental human rights, our belief should be reflected in a sector as important as our external economic policy.

The United States and the European Community would certainly be wrong to attempt to "export" their particular form of democracy, for it may very well not meet the specific needs of countries with different economic and social structures. It would also be a mistake for industrialized democratic countries to refuse to trade with countries whose form of government does not accord exactly with western concepts of democracy.

However, it would be just as dangerous to advocate strict separation of political and economic affairs. Firstly, because we cannot profess our commitment to the principles of democracy whilst abandoning them in the trade policies we pursue towards other countries. Secondly, because it is in the interests of the United States and the European Community that as many countries as possible adopt democratic institutions. In a world characterized by an increasingly close interdependence among nations, the fact that a great many countries have similar political systems—although no guarantee in itself—could, perhaps more than anything else, do much to prevent serious conflicts and sudden disruption of trade through arbitrary political decisions.

#### DEMOCRACY AND ECONOMICS

It is thus perfectly legitimate and indeed necessary for the United States and the European Community to make every effort to promote wider acceptance of democratic ideals throughout the world and harness their trade policies to the achievement of this objective, especially since in doing so they are likely, in the long run, to serve their own economic interests.

Once we are agreed on this general principle, we have to give it substance, for its practical application, far from tolerating any dogmatism, often calls for delicate judgment. Nevertheless, I think it is possible to formulate certain guidelines for the policies of the United States and the Community in this area (bearing in mind that the Community—an economic giant but a political dwarf, as the well-known saying has it—still does not always act as one) :

(1) Our countries should beware of restricting aid to unconditional allies (cf. the United States' experience during the Dulles period). There is no reason at all why we should not cooperate closely with countries that are very critical of our types of society and that have chosen a different approach, provided their systems are based on respect for human rights.

(2) In instances where closer economic ties between the United States or the Community on the one hand and a third country on the other have far-reaching political implications for our countries, much more rigorous criteria must of course be applied. This is a topical issue in the Community, since several Mediterranean countries have expressed the wish to join it. The Community cannot afford to accept as new members countries with shaky democratic institutions. Such a policy would not only jeopardize its reputation in the world, but might also slow down the democratization of the decision-making process within the Community and endanger its cohesion.

#### ENCOURAGING DEMOCRACY

(3) On the other hand, our countries should not fall into the error of isolating countries in which a tendency toward a more democratic system is beginning to

emerge. We must give active economic support to such countries, which often undergo difficult periods of transition between the collapse of a dictatorship and the construction of a more or less solid democratic foundation.

(4) In some specific cases, economic or commercial pressure can bring significant results in human terms (for example release of political prisoners). Our governments should use such methods wherever they stand a reasonable chance of success. By the same token, they should, as a rule, refrain from concluding trade agreements with governments that do not respect fundamental rights and they should not hesitate to "freeze" the implementation of existing agreements if the partner resorts to political repression.

(5) However, it is clear that the United States and the Community should concentrate their efforts on a policy which systematically promotes economic interpenetration in the world and consequently growing interdependence. As it is, Europe already has to rely to a very large extent on the developing countries for its supply of raw materials; the United States' dependence is less pronounced, which explains their different attitude at UNCTAD IV. But it is in the interest of both that dependence should give way to interdependence.

#### TWO PROPOSALS

How can we encourage progress in that direction? There are basically two ways:

First and foremost, by showing that our democratic systems are capable of bringing about a fairer economic order and a more equitable distribution of wealth. The West will only be able to sell its political institutions to other countries insofar as it shows generosity in its economic and commercial relations with deprived countries (in the long run, such a policy can only benefit the wealthy countries as well).

Secondly, by showing that our democracies are flexible and capable of reacting quickly to changes in the world's economy. Thus our policy of cooperation will have to be adapted to the changing contexts of underdevelopment. Too often the developing countries are still thought of as a monolithic block, whereas in fact their standards of living and rates of growth differ quite significantly. The economies of many countries which fifteen years ago undoubtedly belonged, without a doubt, to the developing world, have progressed to such a degree that they are now more or less self-sufficient. I am thinking of countries such as Iran, Venezuela, Saudi Arabia, China, Taiwan, South Korea, North Korea, Mexico, Brazil, Morocco and Malaysia. They alone account for approximately 45% of the population of all the developing countries. The problem of underdevelopment actually breaks down into a number of separate problems—raw material costs, energy, food supply and national debts—which divide countries into a series of interest groups, the composition of which varies from one case to the next.



## PROMOTING FREE INSTITUTIONS IN THE POSTWAR WORLD: THE U.S. ROLE

Paper by Philip M. Crane

Since World War II, United States efforts to promote liberty and free institutions have earned it everything from the title "leader of the free world" to the sobriquet "policeman of the universe." Actually, while well-intentioned, it has vacillated between idealism and pragmatism, frequently forgetting idealism alone is often self-defeating while pragmatism alone goes contrary to American ideals.

Actually, this vacillation has deep historical roots. On the one hand, Americans, having sponsored their own revolution for freedom and independence and having prospered under a republican form of government for 200 years, are deeply committed to the idea that freedom is preferable to tyranny and self-government superior to dictatorship. On the other hand, Americans, as a result of being first a weak nation and then simply an isolated one, cultivated the philosophy of "live and let live." Thomas Jefferson reflected the early view in his first inaugural address when he said that the United States was interested in "... peace, commerce and honest friendship with all nations; entangling alliances with none." Later generations simply said, "if we can do it on our own so can others and there is no reason for us to get involved." But these two somewhat disparate tendencies merged at a time of crisis; once a consensus developed that U.S. security was threatened, then idealism and experience combined to produce the axiom, "if you are going to fight, fight to win as quickly as possible." Americans have never been ones for long, drawn out conflicts with ill-defined goals.

### THE AMERICAN CHARACTER

These elements of the American character can clearly be seen in the U.S. Civil War and in U.S. involvement in the two world wars. The Civil War was, above all else, a clash between ideas and ideals with slavery being the catalytic issue. As Abraham Lincoln put it in his famous "House Divided" speech of June 16, 1858, "... This government cannot endure, permanently half slave and half free." By 1861, enough people either agreed or disagreed strongly enough to plunge the nation into a war that ended not in compromise but in victory for the anti-slavery forces. But, in the aftermath, the victors, rather than sticking with one consistent approach, vacillated between conflicting policies with the result being the worst of both.

In World War I, the United States did not get involved until it believed its security threatened, but then it justified its intervention "to make the world safe for democracy" rather than on more pragmatic grounds. Yet, once having helped win the war, the United States again lost taste for involvement, opting out of the League of Nations and, more importantly, standing aloof from the ineffective efforts to halt aggression in the 1930's.

As for World War II, the United States remained true to form by (1) waiting until its security was truly threatened before becoming involved, (2) invoking the "Four Freedoms" to justify concentrating on Hitler, (3) insisting on victory instead of a negotiated settlement, and (4) once again proving itself less capable of winning the peace than the war. With regard to the last, historians may well marvel a century from now at how a nation, at the time omnipotent, could let the opportunity of achieving lasting world peace slip through its grasp. By failing to insist on Soviet compliance with agreements governing the postwar world, the United States not only set back the cause of peace but encouraged the development of an ideological dichotomy similar to the one that had prompted the holocaust in the first place.

Warnings of that dichotomy were not long in coming. Speaking in Fulton, Missouri, March 5, 1946, that renowned freedom fighter, Sir Winston Churchill, pointed out that an "iron curtain" had descended from the Baltic to the Adriatic

and called for both a fraternal organization of English-speaking nations and a "new unity in Europe" to promote the cause of peace and democracy. Elaborating later in a speech at Zurich University, in September 1946, Churchill urged the creation of some kind of a "United States of Europe", and warned that "time may be short," if another holocaust were to be prevented. As before, his counsel was wise.

#### AGAINST ISOLATIONISM

As we know, events in Greece, Turkey, and Eastern Europe, plus the closing off of Berlin, helped convince the United States, albeit reluctantly, to counter its return to isolationism and to move to protect freedom in those European nations where it had not already been lost. The Marshall Plan, the Berlin Airlift, and timely aid to both Greece and Turkey not only forestalled further communist advances in Europe but laid the groundwork for NATO. The latter, I think most will agree, has been effective—both as a military deterrent to communist aggression and a political tool for the promotion of democratic ideals. The development of the European Economic Council and the Council of Europe would have been less likely had there not been a degree of security upon which to base their efforts.

A fair reading of history suggests, however, that much of the credit given to the United States for protecting European democracy should be at least shared with the Europeans themselves. True, the United States provided military protection and economic assistance but, acting on both the advice of Churchill (and others) and a common commitment to the principles of democratic government, Europe staged a political and economic renewal unparalleled in recorded history. By contrast, many other nations receiving U.S. aid but lacking the same commitment to democratic institutions, have made less progress while coming to take the aid for granted and their benefactor for a ride.

#### MORAL BASIS OF FOREIGN POLICY

From the combination of circumstances, one might argue that either the U.S. got too involved or not involved enough. But, for a country whose foreign policy historically has been based on morality rather than power politics, both arguments miss the mark. The key factor in postwar history is not just the extent of U.S. involvement but the objectives and rationales for it. Thus, any U.S. postwar policy which did not have, as an ultimate objective, the triumph of freedom over totalitarianism, was not only limited in what it could expect to accomplish but was subject to an erosion of domestic support. Unfortunately, neither the "policy of containment," nor the more recent policy of "détente" met these twin tests. The former, by settling for something less than victory, failed on one count; the latter, by downplaying both the concept of victory and the significance of ideological differences, failed on both counts, with predictable results. What happened, or did not happen, in Angola is an excellent case in point.

As long as the United States continues, or is encouraged to continue, "détente" as we now know it, the prospects are that the nation will become less rather than more involved in the effort to promote freer institutions. Richard Rosecrance, writing in the April 1975 issue of "Foreign Affairs," explains it best this way:

"Whatever the merits of the détente policy, the political costs it imposes cannot ultimately be borne. Congress and the American public can understand and support a policy which clearly discriminates friend from foe. They can accept a policy of non-intervention and reliance upon allies. But they can neither understand nor fully accept a policy that switches back and forth; now balancing for one state, now for another . . ."

#### ILLUSION OF DÉTENTE

The real irony of all this is that, while the United States through "détente" is putting ideology second to pragmatism and losing ground, the Soviet Union is interpreting and using the same policy to further its ideology throughout the world. For these trends to change, the United States and its free world allies will have to realize that, given the current Soviet disposition, promoting freedom and pursuing détente are mutually incompatible. The first requires a commitment to the cause and recognition of its foes; the second suggests the absence of both.



The policy of détente has, likewise, had another unsettling effect. By minimizing communism as a threat, and treating it as just another economic system, the United States and others have ever more frequently allowed themselves to be put in the hypocritical and paradoxical position of treating enemies of the free world as friends and friends of the free world as enemies—all in the name of human rights. It makes absolutely no sense whatever to support sanctions or penalties against Rhodesia, South Korea, or South Africa at the same time one is supporting most-favored-nation status for Romania or improved relations for the Soviet Union. Imperfect as conditions may be in Southern Africa or South Korea, insofar as human rights are concerned, they are far better than in places like Cuba, Red China, the Soviet Union or some of the third-world nations such as Uganda. Moreover, we should not fail to remind ourselves, or those nations clamoring loudest about majority rule and human rights, that of the 38 "Black Majority" governments in Africa, 33 are actually one-party states and many are out and out dictatorships. It is not the U.S. and its free world allies that should worry about a double standard; it is those raising the issue for their own political advantage.

This is not to condone certain practices of certain free world nations or to suggest that they not be urged to open up their institutions to permit fuller participation by all their citizens. Quite the contrary. Rather, it is an effort to put the matter in its proper perspective. If, by miscalculation or malappreciation of the principal threat to human liberty in the area and in the world, we aid or abet the takeover of these governments by those even less democratic or more communistic, we will ultimately defeat ourselves. No matter how noble or well-intentioned, such a policy can only benefit the Kremlin and not those people it is intended to help. In this context then, idealism, to be meaningful must be tempered with a certain amount of realism.

#### AT THE UNITED NATIONS

Nowhere is the aforementioned double standard more frequently urged or applied than at the United Nations. Regrettably, universality of membership (with a few exceptions) has not meant universal adherence to the principles of human rights as called for in Article I of the U.N. Charter. Instead, the way things are working out, human rights are something for communist nations to advocate but never practice while in free nations they must be scrupulously practiced but never advocated. So, while the organization has a certain limited usefulness as a debating forum, we must look elsewhere for institutions that can promote freedom and combat threats to it simultaneously.

What sort of an institution? Well, from the standpoint of encouraging U.S. participation, it should meet three criteria. First, its primary objective should be the ideal for which the United States has fought so often in the past—the promotion of self-government and the protection of life, liberty, and property. Secondly, to allay popular fears about entangling foreign alliances and to avoid many of the problems that have plagued the U.N., membership should be selective and voluntary. Thirdly, the goal should be the triumph of the ideal, not co-existence with a contradictory philosophical system. Adherence to these criteria should not only provide a vehicle for the United States and its European friends to promote self-government and human rights but should provide a ray of hope for people in communist and third world nations where the very mention of the word "freedom" is likely to land the speaker in a prison camp or worse.

Realistically speaking, an organization based on these criteria should have appeal for European and other pro-western nations. In fact, the Council of Europe, with its voluntary but restricted membership and its proven commitment to human rights, may well prove to be a useful model for creating what I would call, for lack of a better term, "An Association of Freedom-Loving Nations."

#### ASSOCIATION REQUIREMENTS

In practice, such an association should only include those nations who want to join and who have a form of government that (1) protects freedom of speech, press, association and religion; (2) guarantees the right to a fair trial, preferably by jury; (3) holds elections for public office holders; (4) protects the right to property; and (5) ensures its citizens due process and equal protection under the law. A preliminary but inconclusive survey suggests that member nations, if they wished to join, would include the U.S., Canada, most Western European na-

tions, Australia, New Zealand, Israel, Japan and perhaps Venezuela but would exclude, for the time being at least, South Africa, South Korea, India, Rhodesia, the Philippines, Spain, and most Latin American nations and the third world dictatorships in Africa and the Middle East.

Since, to be effective, the focus of the organization cannot be restricted to promoting limited self-government but must extend to its corollary, the combatting of aggressive dictatorships that seek to extend their influence over other parts of the world, I would also propose another class of membership—associate membership—for those nations which do not fully meet the tests outlined above but which are not aggressive and which support the free world against the forces of communism. Not only would such a category enable active member nations to cooperate, in the common interest, with those nations which may be opposed to the spread of communism but may not meet all membership requirements, but it would give the latter an extra incentive to speed up their efforts to meet the requirements. As an aside, I might note the incentive factor works both ways; the more effective the Association is the stronger the incentive to join.

#### A COMMISSION AND COURT

If nations must meet standards to obtain admission then it stands to reason that, under threat of suspension or expulsion, they should have to maintain those standards to keep their membership (or associate membership) in good standing. Perhaps the best way to handle this would be in a fashion somewhat to that employed by the Council of Europe which has, as a prime goal, the protection and promotion of those rights I have previously mentioned. A Commission, consisting of elected representatives from Member states, would be assigned the responsibility of investigating allegations and filing charges which would then be referred to a Special Court which, in turn, would have the responsibility for adjudication and recommendation of penalty. The exact manner in which the Commission and the Court were established would, of course, be something the charter states would have to resolve at the outset.

As for the rest of the mechanics, the basic operating premise would be that of voluntary cooperation rather than any compromise of national sovereignty (which is neither desirable nor workable). Decisions would be made on the basis of a majority vote of the member states, but an individual state would not be bound to participate in the implementation of the decision. And, while the emphasis would be on persuasion rather than compulsion, there would be a basic understanding at the outset that an attack against one member nation by the forces of totalitarianism would be viewed as an attack against all. This would help establish the parameters of decision-making, discourage aggression, and focus attention on the principal threat to freedom in the world today—imperialistic communism.

Obviously, there would be certain difficulties in establishing effective organization of this nature but, in theory at least, the common philosophical bonds between member states should go much further than geography or universality in promoting concerted action in the face of continuing challenges to free institutions. Once established, the Association would be able to mobilize world opinion on behalf of basic democratic values on a scale heretofore unknown. As Winston Churchill so eloquently put it in his Fulton, Missouri, speech:

"\* \* \* the people of any country have the right and should have the power of constitutional action by free unfettered elections, with secret ballot, to choose or change the character or form of government under which they dwell; that freedom of speech and thought should reign, that courts of justice independent of the executive, unbiased by any party, should administer laws which have received the broad assent of large majorities or are consecrated by time and custom. \* \* \* Let us preach what we practise—let us practise what we preach."

#### BEHIND IRON CURTAIN

Given the alternative we see before us, do we dare not pursue any avenue that might help us protect those institutions we hold so dear? Regardless of the outcome, the effort will not go unnoticed. At the very least, the self-appointed critics who claim free world nations are guilty of a double standard on human rights will be effectively rebutted and, with God's help, we can do much more. Not only can pressure be brought to bear on behalf of those systematically denied basic human rights behind the Iron Curtain but, as previously mentioned, those



governments in the free world not fully committed to individual liberty and self-government for their own people will be encouraged to refine their position.

Of course, there is always the possibility that an Association of Freedom-Loving Nations would succumb to the temptation of dealing only with infractions of human rights occurring in free world nations, despite the provision for associate memberships which is designed to deal with just such a situation. One can only hope that the Association would not succumb to such a temptation, or even let such incidents take precedence over the far more blatant violations that occur behind the Iron Curtain, for such a course would constitute a classic example of cutting off one's nose to spite one's face. It is in this area, particularly, that idealism must be accompanied by an element of pragmatism if the result is not to be self-defeating.

#### LIBERTY AND UNITY

The famous Spanish philosopher, Salvador de Madariaga, once put the challenge facing the free world into the most succinct terms. "The trouble today," said Madariaga, "is that the Communist world understands unity but not liberty, while the free world understands liberty but not unity." "Eventual victory," he continued, "may be won by the first of the two sides to achieve the synthesis of both liberty and unity." To that can only be added the thought that it is easy to have peace without liberty, but without liberty, what value is peace?

In hopes of achieving that synthesis, there is everything to gain and little to lose by moving forward with the establishment of an Association of Freedom-Loving Nations. As former Congressman Walter Judd put it, paraphrasing the famous words of Abraham Lincoln in 1858, "the world cannot continue half slave and half free."

## THE U.S. ROLE IN THE POST-WORLD WAR II PERIOD: "HAS DEMOCRACY BEEN PROMOTED OR NEGLECTED AND WHAT ARE THE LESSONS FOR FUTURE POLICY?"

Paper by Donald M. Fraser

A simple statement of my views on this subject would be that since the end of World War II United States foreign policy has both promoted and neglected democracy in the world, and that the lesson to be drawn from that record is that the United States should assign a higher priority to internationally recognized standards of human rights in shaping United States policies toward other nations.

For our purpose the term "human rights" might be more appropriate than "democracy" because international law and diplomatic usage has come closer to reaching a universal definition for human rights. "Democracy" continues to be a label which the most widely divergent political systems insist is their own. The United States entered World War I with the grand declaration that the world had to be made safe for democracy, but after two decades of isolated neutrality on the part of the United States, it was clear that democracy was far from safe in the world. This time, however, our objectives were stated more pragmatically, and we established a wartime alliance of sorts with a major totalitarian state, the Soviet Union, with whom the United States and Britain had one objective in common—the defeat of Hitler. Our attitude must have been similar to that of Winston Churchill who, when told that the Nazis had invaded the Soviet Union, is reported to have said that if Hitler were to invade Hell, he (Churchill) could probably find something nice to say about the Devil!

### YALTA PLEDGE BROKEN

This was the beginning of Western efforts to find common denominators with the Soviets for the conduct of international relations. The Yalta Declaration for a Liberated Europe, by which the Soviets pledged themselves to guarantee self-determination through free elections in Eastern Europe, was broken and made unenforceable by the presence of Soviet armed forces in Eastern Europe. But during this same period the Soviets also committed themselves to certain standards in the observance of human rights as set forth in the United Nations Charter. It is those standards—which all members of the United Nations are obligated to uphold—that provide the grounds for active promotion of democratic values of human dignity in international relations.

Although governments object that criticism of their human rights practices is an unwarranted interference in domestic affairs, the U.N. Charter clearly states that "all members pledge themselves to take joint and separate action in cooperation with the Organization for the achievement of a number of purposes "which the United Nations shall promote," among them "universal respect for and observance of human rights and fundamental freedoms for all without distinction as to race, sex, language or religion." Expanding on this, the Universal Declaration of Human Rights was adopted unanimously by the U.N. General Assembly in 1948, with only the Soviet bloc, Saudi Arabia and South Africa abstaining. The Declaration has been generally accepted as customary international law, and contains 30 articles recognizing everything from "the right to life, liberty and the security of the person," to the right to free international movement and asylum, the right to freedom of thought, conscience and religion, the right to work and free choice of employment, the right to an adequate standard of living and on education, and the duty to exercise those rights and freedoms with due respect for the rights and freedoms of others.

United States policies reflected these principles fully in the postwar recovery programs for Western Europe and Japan. These were our biggest successes, flowing from a beneficial convergence of interest in democratic and economic

development with the security interest in containing communist expansion. Subsequent mutual defense treaties with many other countries either made specific reference to democratic institutions, or such a reference was made by U.S. officials when explaining the rationale of the treaties.

#### U.S. SUPPORT FOR DEMOCRACY

Many other U.S. policies have been consistent with support for democratic principles and human rights. Economic assistance to developing countries has included programs designed to foster the development of democratic institutions. The United States has condemned South African apartheid and since 1962 has imposed an embargo on the sale or transfer of arms to South Africa. At the United Nations, the United States was one of the principal sponsors of the Universal Declaration of Human Rights, and for many years has supported the creation of a United Nations High Commissioner for Human Rights. The United States refrained from recognizing the white minority regime of Ian Smith in Rhodesia, and supported the imposition of economic sanctions against that regime as provided by the U.N. Charter. The United States supported the termination of South Africa's mandate over Namibia and the related opinion of the International Court of Justice. More recently, in bilateral relations, the United States terminated military assistance and sales, and placed a ceiling on economic assistance to the military junta in Chile. Military assistance to Uruguay also was ended. And at the United Nations, the United States has urged the adoption of a U.N. convention against terrorism; voted in favor of a General Assembly resolution condemning violations of human rights in Chile; proposed a resolution calling for general amnesty for all political prisoners; fought against the adoption of the General Assembly resolution equating Zionism with racism; urged steps by the U.N. to implement the declaration on torture adopted by the General Assembly in 1975; and voted for the 1975 omnibus resolution on the status of women.

At the initiative of Congress, most-favored-nation trade status for the Soviet Union was made conditional on liberalization of Soviet emigration policies; this provision, however, provoked cancellation of the Soviet-American trade agreement by the Soviet Union. Another legislative initiative resulted in an amendment to our military assistance laws expressing the sense of Congress that the President should deny military and economic assistance to any government which practices the imprisonment of citizens for political reasons. But in the strongest legislative action thus far taken, Congress declared it is the policy of the United States that no military assistance shall be extended to governments which consistently violate internationally recognized standards of human rights, and the President is required to report to Congress on the human rights situation in each country for which military assistance is being requested. Congress, under this provision, may pass a special resolution to terminate military assistance to any country, although the action is subject to the President's approval. With regard to South Korea, Congress directed the President to express strong concern over the erosion of democracy in that country, although military assistance is continuing.

#### OPPOSITION BY PRESIDENT

These actions by Congress have been taken despite the opposition of the President, and they reflect a distinct Congressional disenchantment over special supportive relationships with repressive governments. In the name of anti-communism, the United States has been nourishing supportive relationships with governments whose systematic denial of fundamental freedoms approaches some of the worst abuses of communist regimes. In case after case, the outcome of such policies has been unsuccessful, as the following examples illustrate:

South Vietnam—where the government, unable to win the solid support of its people, succumbed to a communist overthrow.

Greece—where the United States, alone among Western countries, persisted in a special relationship that eventually yielded a major international crisis in the Eastern Mediterranean.

Portugal—where the collapse of colonialism and an anti-democratic government left a vacuum which created equally serious problems.

The present American relationships with the Park government in South Korea and the Marcos government in the Philippines likewise may have ominous



implications for the future if repression continues unabated. During my visit to Seoul last year, the Catholic Cardinal of South Korea posed a question to me which is painful for Americans to hear: "Why is it that so many of the governments supported by the United States become so anti-democratic?"

#### DEMOCRACY AND SECURITY

The U.S. State Department would say that while we do not approve of the repressive domestic policies of such governments, and make our disapproval known to them quietly behind closed doors, there is really not much we can do about it and that our security relationships with them must be continued for reasons quite apart from the nature of the governments. With this attitude, the United States has engaged in so-called "destabilization" tactics such as the conspiracy to subvert the free election process in Chile. And in the case of South Korea, the expressions of U.S. official disapproval through quiet diplomacy are hardly likely to be taken seriously by the Park government, when the White House and State Department exert full strength in Washington to ensure that Congress authorizes full military assistance to that regime. If the United States does have an interest in the development of democratic institutions in allied countries, it seems to me that at some point some linkage must be made between that interest and our security policies.

Coincidentally, such a linkage now seems apparent in U.S. policy toward racism in southern Africa where Secretary of State Kissinger has launched a major diplomatic initiative which emphasizes majority rule in Rhodesia and Namibia. But for many years, the problems of white minority domination there had been accorded a low priority in U.S. policy. It was only when southern Africa became the scene of Soviet-American confrontation that the United States became an active advocate for majority rule. Now it may be too little, too late and for the wrong reasons.

Although the U.S. has taken some commendable positions on human rights in the United Nations through the years, our record on ratification of human rights conventions leaves a great deal to be desired, and we are certainly far behind our Western European allies in this regard. We have ratified some six conventions, but have yet to ratify 28 others, including the Genocide Treaty, the Covenant on Economic, Social and Cultural Rights and the Covenant on Civil and Political Rights. We continue to equivocate on support for the U.N. authority over Namibia and for the past five years the United States has been in open violation of economic sanctions against Rhodesia by trading in Rhodesian chrome.

#### LEADERSHIP OPPORTUNITIES

Many opportunities for U.S. leadership in defense of democratic institutions and human rights still exist, however. After assuming a rather low profile toward repression in the Soviet Union in the age of détente, we now have a chance to work with our European friends for implementation of the Helsinki Accords. And even if it appears that reduction of military assistance to repressive regimes may not bring about a restoration of democracy, a reduction nonetheless would have the affect of ending our contribution to repression.

Some of Secretary Kissinger's rhetoric seems to point in the right direction. In a speech in Minneapolis entitled "The Moral Foundations of Foreign Policy", for example, he said:

"There is no longer any dispute that human rights are on the agenda of international diplomacy. . . . The great human rights must be recognized, respected and given reality in the affairs of nations. . . . We have used, and will use, our influence against repressive practices. Our traditions and our interests demand it."

Our traditions and our interests do indeed demand it. It is time for that rhetoric to become reality.

#### ANNEX

##### HOW CAN THE UNITED STATES AND THE EUROPEAN COMMUNITY PROMOTE DEMOCRATIC DEVELOPMENT AND RESPECT FOR HUMAN RIGHTS?

Suggestions offered by Congressman Fraser:

(1) Publish an international parliamentarians' newsletter on human rights issues for the exchange of information among parliamentarians in order to: identify important human rights issues and the positions taken by national gov-



ernments with respect to them; and propose and coordinate activities by parliamentarians regarding human rights issues.

(2) Facilitate active cooperation among democratic political parties in defense of internationally recognized human rights by convening an annual world conference of democratic party representatives and establishing a secretariat to support activities of the project.

(3) Regarding human rights issues in the United Nations General Assembly and U.N. Commission on Human Rights, the United States and the European Community nations should engage in advance consultations designed to reach agreement on jointly-supported positions, and carefully coordinate tactics aimed at achieving a majority.

(4) The European Parliament and members of the U.S. Congress might consider conducting joint study missions to countries where widespread human rights abuses have been reported.

(5) Participants in human rights study missions of the European Parliament could be invited to appear at Congressional hearings to report on their findings.

(6) The U.S. Congress and the European Parliament, respectively, should adopt resolutions which take positions regarding human rights violations by governments.

(7) Members of Congress and the European Parliament should urge their governments not to allow military assistance or sales, except in the most extraordinary circumstances, to any government with a consistent record of gross violations of internationally recognized human rights.

(8) The agenda for meetings between the U.S. Congress and the European Parliament should include discussions of topics such as implementation of the Helsinki Accords, encouragement of democratic development in Spain, white minority rule in southern Africa, and major problems of repression in individual nations.

## RESPONSIBILITIES, REALITIES AND QUESTIONS

Paper by J. B. Broeks

Public opinion seems to be taking an increasing interest in the violation of human rights. This would be an encouraging development if we did not at the same time have to witness the generalized occurrence of degrading and inhuman practices. The matter is so grave as to demand our serious and urgent attention. Public opinion, our electors, our nations ought to be as well informed as possible on the theme and discussions of our meeting and on the conclusions at which we arrive.

### CARRYING OUT OUR RESPONSIBILITY

The individual seems helpless when confronted by the enormous number of violations of human rights. How could he possibly have the slightest influence on a particular oppressive regime, particular emergency legislation, or a particular case of injustice?

Certain organizations have begun to draw together men and women of good will. One of them has grown considerably during its 15-year existence: Amnesty International, a world-wide movement pledged to defend human rights, independent of any government, political affiliation or religious denomination. This organization, which has its international headquarters in London, has some forty national branches and several tens of thousands of members in some sixty countries. Amnesty International operates impartially, working simultaneously in its political prisoners' adoption groups, on behalf of prisoners in capitalist countries, others in Communist countries and yet others in developing countries.

The influence of this movement, and various others too, may be felt daily in the press and at the level of the governments concerned. A large number of political prisoners have regained their freedom thanks to its initiatives. This network of international solidarity is a model for world-wide humanitarian action.

Therefore we must declare once more what we all know to be true, that politicians bear a heavier responsibility in this field. They are consequently obliged to associate themselves with any demonstration or organization whose objectives are greater humanity; it is their duty to support these movements, to help them directly and to champion their causes.

### HUMAN RIGHTS: MERE IDEALS OR REALITIES TO BE PROTECTED?

A respect for human rights should spur Members of Parliament into action when it is plain these rights are being violated. They should join forces on an inter-party and international basis to declare as forcefully as possible that such a crime or offence against humanity is intolerable. Human rights cannot remain mere ideals, they must be attained to, protected and consolidated in an unceasing struggle for greater humanity. But "political struggle" entails certain sacrifices. You cannot fight without committing certain resources and without being ready to make certain sacrifices. A long discussion would, moreover, be necessary to analyse the paradox whereby western industrialized nations spend enormous sums of money to defend democracy against a possible attack from the East, but are in practice unwilling to spend money to help or to set up democratic governments in entire continents such as Africa or South America.

The following questions are often asked by the public, sometimes translated into policies, generally pursued without much success, but none the less necessary, I feel. If we are determined to put an end to activities which are intolerable from the point of view of democracy and human rights, as seen in this or that country, could we not take the following measures:

Refuse to implement existing commercial treaties beyond the strict minimum (as the EEC did when it suspended its relations with Greece under the Colonels' regime)?

Refuse to negotiate or conclude new trade agreements?

Initiate a total or partial boycott of goods imported from the countries concerned?

Refuse to grant international loans?

I should be very grateful if these matters could be discussed so that we might have a clear indication of the genuine will of those who are by definition the supporters of democracy, and of the extent of the efforts and sacrifices which they are ready to make.



## POLITICS AND HUMAN RIGHTS

Paper by W. J. Schuijt

The general theme chosen is appropriate for this, our tenth meeting, in a year when the United States are celebrating the bicentenary of their independence. It is an innovation which, it is to be hoped, will become a tradition. Our regular meetings since 1972 are a model of interparliamentary work between the major democracies of the developed countries and as such should be developed and strengthened.

### THE SHAME OF THE 20TH CENTURY

In its 1973 Report on Torture, Amnesty International states: "No-one shall be subjected to torture or to cruel, inhuman, or degrading treatment or punishment. Article 5, Universal Declaration of Human Rights."

The country-by-country survey in this report indicates that many states in the world today deliberately use torture. Policemen, soldiers, doctors, scientists, judges, civil servants, politicians are involved in torture, whether in direct beating, examining victims, inventing new devices and techniques, sentencing prisoners on extorted false confessions, officially denying the existence of torture, or using torture as a means of maintaining their power. And torture is not simply an indigenous activity, it is international; foreign experts are sent from one country to another, schools of torture explain and demonstrate methods, and modern torture equipment used in torture is exported from one country to another. . . . An increasing number of states use torture as a means of governing. Torture in those countries plays an integral role in the political system itself. Its function is not only to generate confessions and information from citizens believed to oppose the government; it is used to deter others from expressing opposition. For those who govern without the consent of the governed this has proved to be an effective method of maintaining power. To set torture as the price of dissent is to be assured that only a small minority will act. With the majority neutralized by fear, the well-equipped forces of repression can concentrate on an isolated minority.

### LESSONS OF THE PAST

In drawing special attention to this specific and unfortunately spectacular subject, we are not forgetting all the other fields and directions in which democracy and public liberties should be developed. But in linking it with our political discussion we must acknowledge that in many areas in which we were politically active during the war years, the post-war years and beyond, most of our governments did not live up to their professed ideals or give adequate expression to the political will and deep moral feelings of our peoples. We have allowed to develop in other countries regimes that we would never have wished or tolerated in our own; we did not speak out when we should have; we have done almost nothing to check the repression that is unworthy of man or put an end to the regimes that shame the nations that have accepted them and humiliate those subjected to them. Tribute should be paid to those who have had the courage to refuse certain compromises, who have had the lucidity needed to condemn a particular regime and the audacity—sometimes in prophetic, isolated and apparently utopian gestures—to protest against the unacceptable.

We have often taken refuge behind the lazy and legalistic doctrine of non-interference in the internal affairs of another state, which is wrong because there is no future in it. States are always interfering with and influencing each other. When well-defined interests are at stake, any state is willing to intervene and does so. Why then this sudden reticence in humanitarian matters? It is a lack of courage, a lack of moral certainty or a lack of political clarity, or does cynicism reign supreme? What is unacceptable should no longer be accepted. The rights of man are universal rights and affect us all, just as much as un-



democratic, totalitarian or torture regimes. Suffice it to hear the appeals of a Helder Camara, any of the Soviet dissidents who have recently come to the west or our Greek, Portuguese or Spanish friends again recently menaced and tortured, to understand that universal conscience is indivisible. Each time they speak, we are reminded of the correct path of moral and true politics. That is why, without even judging their political reasons, we should commend their honest and courageous stand for human rights.

#### PROPOSED SPECIFIC ACTION FOR OUR DELEGATIONS

A. *Our governments*: It is up to us to intervene politically so that our governments do not support undemocratic regimes that have abolished the parliamentary institution or reduced it to a mere embellishment. Our governments should not help regimes to stay in power if they systematically violate human rights.

A democratic government should respect any regime legitimately established and abstain from any act of sabotage on another democratic regime.

Our governments should be generous in granting political asylum to whoever requests it by extending the right and the possibility of refuge in embassies and by organizing reception facilities for exiles.

B. *As regards Members of Congress and Members of the European Parliament*, we make the following proposals for *concerted action* and *joint projects* along the lines of other joint projects such as the draft code of conduct for multinational companies.

1. Our meeting and cooperation body should be in a position rapidly to introduce *procedures* for discreet and *humane* political *intervention* with regimes that contravene human rights. Such interventions could contain a reminder about common rules accepted internationally, human rights as defined in the universal declaration and public declarations made by those regimes. Similarly we should be in a position, where appropriate, to intervene publicly by appealing directly to the authorities of the countries concerned or appealing to public opinion and protesting against certain attitudes.

2. It should be possible to have an exchange of information and documentation on the *situation of human rights and parliamentary democracy throughout the world*. Information could, perhaps once a year, be summarized in a *report* submitted to participants at our meetings who would consider the situation and, where appropriate, *the action taken on our public or discreet intervention*.

3. Our body should at all times declare its *support* for international organizations such as the Red Cross and the High Commission for Refugees and *organizations* such as Amnesty International that *call for the application of the law by all legal and non-violent means*. We should also call for a development of international legal institutions and of international constitutional law and for an investigation into any method or procedure that could more effectively guarantee freedom.

These proposals are being made because our interparliamentary cooperation body is a rarely found international political authority that can work effectively in this field. We are probably the only people with enough *freedom* to carry out research and to discuss these questions frankly and impartially at international level and at the same time with the *authority* as the elected representatives of our peoples to call attention to the rules of law and intervene with a view to consolidating democracy and human rights.

## ENCOURAGEMENT OF DEMOCRACY AND HUMAN RIGHTS

Paper by Michael Stewart

The world situation may be crudely described as follows: one bloc (variously described as "The West", "NATO", "The Free World") believes in democracy and human rights, and claims that, on the basis of these principles, policies can be carried through which will solve economic problems and right social injustices. Another bloc (in effect the USSR and her allies; the future role of China in world politics remains an enigma) maintains that the Western belief in democracy and human rights is a sham, that the reality of Western life in plutocracy, corruption, unemployment and class-conflict; and that not until a Communist economic basis for society has been established can true democracy flourish. In the West we are uneasily aware that Communist criticisms of our society are not entirely without foundation; but the Communists have not succeeded in creating an economic and social system that is more efficient or more just than ours; and their rejection of our concept of democracy and human rights opens the door to tyranny.

### A SKEPTICAL VIEW

Meanwhile, watching the two blocs, is the "non-aligned world". This phrase includes a large group of countries, some of them having little in common with others, except the mere fact of non-alignment; but in a world overshadowed by blocs, this mere fact does create a fellow-feeling. It is disquieting to us in the West that few of these countries are ready to take us at our own valuation: the merits of democracy and human rights, which seem self-evident to us, are viewed by them with a cool scepticism. Among the reasons for this attitude we may note—

1. Some of the past front-line champions against Communism—the pre-Castro regime in Cuba, the former government of South Vietnam, the present government in South Korea—have been remarkably unattractive;

2. Many of the citizens of non-aligned countries cannot see that the democratic process has any relevance to the solution of their problems—poverty, tribalism, corruption, etc.;

3. Most of the citizens of non-aligned countries are non-white, and the suspicion that "the West" is at heart racist remains.

The USSR feels justified in supporting these attitudes in the hope of permanently estranging the non-aligned from the West. There is, therefore, a strong political reason why the West should strive to promote its own beliefs in the world. There is also a profounder reason. A nation, or group of nations, which does not believe in itself and its ideals will not, in the end, survive. The USSR is fully aware of this, and loses no opportunity to proclaim the virtues of its system and the defects of ours. We cannot face them without a faith; "The courage of faith will always outstay the courage of wrath."

Nor can the world-wide advocacy of human rights be condemned as interference in the internal affairs of other countries. Denial of human rights is not merely an "internal affair"—it is a breach of an international obligation enshrined in the UN Charter.

But how is this task to be performed? Military crusading, bribery of political individuals or parties, and mere lecturing from an assured position of moral superiority are counter-productive. Below are suggested some possible lines of action; but it must be emphasized that this is a long-term problem, requiring patience and, if possible, concerted planning in advance by "the West"—particularly the USA and the countries of the EEC.

#### *1. Use of international fora*

The UN is often the scene of propaganda against Western countries, and their friends in the non-aligned world. We could do more to bring before the UN un-



doubted cases of denial of rights by Communist countries. This should be in moderate language, persuasive and not abusive (our real audience is the non-aligned, not the USSR's bloc), but with persistence and on the basis of fully authenticated facts.

The forthcoming conference at Belgrade should give us the opportunity to compare Communist professions at Helsinki with subsequent performance.

## *2. Economic policies—aid and trade*

A detailed examination of what can be done in this field would extend this paper beyond its proper length, and I therefore do no more than state a principle. The West should recognize that policies of this kind involve a redistribution of the world's wealth—the rise in the standard of life of the richest in the world must become slower, so that it can become faster elsewhere. The West should also make it clear that its chief interest is in policies which benefit the poorest people in the developing countries. Observance of these principles will sometimes be in conflict with the immediate economic interest of some Western countries; we have to recognize that it is worth the price.

## *3. Attitude towards the internal politics of nonaligned countries*

It is, of course, the duty of the diplomatic representatives of Western countries to understand the politics of the countries to which they are accredited and to do their best to see that those countries take a favourable view of the West. This cannot be done by making pets of particular individuals or parties; the decision as to who shall rule in a non-aligned country has to be made by that country (even if, sometimes, by very unattractive methods); it is the job of Western countries, and their representatives, to make it clear that they will seek to get on well with whoever is in power.

Nor should Western governments and diplomats be alarmed if incoming Governments in non-aligned countries take a drastic view of the rights of private ownership of land and other sources of wealth. The Communist victory in Vietnam was connected with the fact that land reform measures were always too little and too late. By contrast, Greece, for all her troubles, has never fallen into Communist hands, and this is partly attributable to the land reforms carried through many years ago by Venizelos.

The West has sometimes made the error of supposing that "human rights" mean not only freedom of speech, writing, thought, association, worship, and the right to criticise and peacefully change one's government, but also the right of small groups to maintain economic and social privileges in defiance of the public good. If this error were to continue, the whole cause of human rights would be discredited.

## *4. Cultural and exchange policies*

An important objective here should be to enable younger people, who are likely to be influential in future in the non-aligned countries, to visit the West and see how we try to tackle the kind of problem that arises both in their countries and ours—how do we provide primary education, or health services; how do we deal with labour disputes; how do we handle the problems arising from the existence of different ethnic groups within the nation? (A discussion with members of the Community Relations Council in an English city would be more useful than a visit to the Houses of Parliament). The aim should be, not to suggest that everything in the West is all right, but that our respect for people's rights, and our emphasis on free discussion and argument, are of real value to us in the search for the right answers.

## *5. Rhodesia—a special case*

There is one part of the world in which the Western countries could take more striking and immediate action than has so far been proposed. It is now certain that the Smith regime in Rhodesia will end; the remaining questions are "How soon?" and "What comes next?". If the USA and the EEC are ready, by joint action and policy, to hasten the end, two advantageous results will follow. First, the chance that the succeeding government in Rhodesia will be one which respects human rights will be greatly increased; second, it will be a clear demonstration to Africa that we mean what we say about human rights, and that our



concern for those rights is not restricted to white people. The items of policy could be:

(a) A rigid enforcement of sanctions—if this had been practised from the start, the problem would by now have been solved;

(b) A denial to Smith of any kind of help in resisting the attacks now being made on his regime, both within Rhodesia and from without;

(c) Consultation with the governments of the neighbouring states as to the steps to be taken when the end is imminent. We and they have a common interest in averting anarchy and giving a favourable wind to the succeeding government.

Thursday, September 23, 1976

## SUMMARY OF DISCUSSION

### SESSION III. A. POLITICAL DISCUSSION (CONTINUED)

(Working papers by Mr. Tsongas, Senator Pell, Mr. Biester, and Mr. Cousté<sup>1</sup>)

Mr. Spénale stated that the general theme of the meeting—encouragement of democracy and respect for human rights—is the essential concern of all democracies, and has been for European Parliamentarians. He listed the following examples of actions taken by the European Parliament:

(1) The Parliament's successful proposal that the European Communities freeze the agreement of association with Greece, while that country was ruled by a military junta.

(2) Likewise, the Parliament expressed reservations about the Franco dictatorship in Spain, and had supported democracy in that country. There has been some progress there but it is not sufficient.

(3) Parliament had agreed on a resolution in 1973 asking the Commission to prepare a report on how basic human rights would be guaranteed within the fully integrated Community. The Tindemans' Report had stressed that the defense of human rights must be written into any future European constitution.

(4) The Parliament realized that the European Community could speak out against human rights violations outside its borders only if rights are enjoyed and guaranteed within the Community.

#### JOINT GROUP SUPPORTED

Mr. Spénale outlined possible action. He agreed with Mr. Schuijt's suggestion that a joint working party be set up to try to work out possible joint actions concerning the defense of human rights. Such a working party should, on the European side, keep in touch with the Parliament's Legal Committee, to insure coordination with the internal work program of Parliament. Such a working group might prepare a list of fundamental human rights.

Finally we should be concerned to defend human rights inside the Community and the United States for only on this basis would we be able to defend human rights outside the Community and the United States.

For the information of American participants, Mr. Spénale distributed copies of the Bulletin of the European Communities. "The Protection of Fundamental Rights in the European Community."

Mr. Fraser commented that European Parliament's attitudes towards Greece and Spain had been noted with satisfaction in the

<sup>1</sup> See pp. 51-64.

United States particularly when they were compared with U.S. Government's attitudes toward these countries.

#### HUMAN RIGHTS INDIVISIBLE

Sir Peter Kirk agreed with Mr. Schuijt's proposal to set up a joint working group. This group could draft papers for the next meeting of the two delegations. As founder member of Amnesty International, he stated that we should differentiate between different types of violations of human rights. The worst were political executions, torture and arrest and imprisonment without trial, the three subjects which Congressman Fraser in his paper suggests the delegation concentrate on. Although it might be easier to try to concentrate on these particularly grave violations, human rights were indivisible. If the rights of assembly and free speech were violated, people would not be able to speak out against or overthrow governments which violated human rights. For instance, the undemocratic situation in India was allowed to develop partly through press censorship. A free press and free elections to a parliament were necessary to maintain democracy and human rights.

Trans-national political groups should try to influence events in this field. It was disappointing that professional groups, such as the British psychologists, had not always acted to condemn for instance the violation of human rights—in this particular case, psychological torture—in the Soviet Union.

#### CASE-BY-CASE ACTION

General rules for action to be taken against countries violating human rights were difficult to agree, but the freezing of trade between the Community and Greece had a considerable effect on the colonels regime in Greece, as did the threat of expulsion of Greece from the Council of Europe.

Greece and Portugal had come back to democracy from dictatorship recently, and Spain might do so shortly. Economic sanctions should be imposed only on a case-by-case basis, but were justified towards Greece on the part of the EC and Rhodesia.

For the next meeting he urged: consideration of the Fraser proposals though he doubted about the value of a newsletter in the midst of the quantity of mail parliamentarians already receive; and more information on the work of the Council of Europe and the European Commission on Human Rights. He proposed that the European Parliament maintain a regular dialog with groups such as Mr. Fraser's subcommittee.



## SUMMARY OF DISCUSSION

### B. ECONOMIC AND SOCIAL DISCUSSION

Mr. Tsongas said that he had a direct interest in the Third World in view of his Peace Corps experience in Ethiopia and the West Indies. He underlined the suspicion that existed in the Third World concerning for instance the Western contribution to the North-South dialog, which was seen as political in nature.

The Third World views most Western aid and trade policies with considerable skepticism. Poor countries were rarely grateful to the wealthy countries for the aid given to them. Whatever the West said about human rights in the Third and Fourth World countries would have very little effect on these countries. In any event we tended to look at these countries from the wrong viewpoint—in a kind of Dulles way—as pawns in the world power game against communism.

### AUTHORITARIAN SOCIETIES

He said that the Third World was authoritarian by nature, with the family and the tribe being the models for its social and political structure. Thus the real issue was not democratic development but human rights.

We could try to persuade governments to uphold human rights without threatening to replace them by other governments, whereas insistence on democracy could give the impression that we intended to change their governments. Apart from the main human rights mentioned in the paper submitted by Congressman Fraser, racial and religious freedom should be protected. Physical security, adequate food supplies and shelter for people should be insured. Thus economic development of the poorer countries should be viewed in the human rights context.

Referring to the Jackson/Vanik amendment conditioning trade preferences for the Soviet Union on liberalization of Soviet emigration violations, he said the United States "paid a high price" for the amendment—Soviet cancellation of the trade agreement—but that "the price was worth paying".

### ROLE OF CULTURAL EXCHANGES

Senator Pell, cochairman of the U.S. Commission to monitor Helsinki, set out his particular interest in cultural exchanges, and the connection between these and developments concerning democracy and human rights. He did not see cultural exchanges as "interference" in the affairs of other nations. Neither did he see them as an export of prestigious Western culture to mere "backward" countries. The Western system of democracy was not necessarily the best model for all countries. We could judge the effectiveness of democracy by the extent to which human rights flourished in countries which employed that political system.

He thought that massive exchange programs could help to reduce mutual suspicions and tensions, particularly between East and West. In the past we had spent very little on cultural exchanges compared with defense. The Helsinki Final Act should help us in moving ahead in this field. Cultural exchanges were a peaceful way of helping to avoid nuclear disaster.

Mr. Gilman said that cultural exchanges helped to maximize mutual knowledge and friendship between countries, regardless of their political systems.

#### SOVIET EMPHASIS ON CULTURE

He stressed the enormous emphasis placed by the U.S.S.R. on developing propaganda broadcasting programs, printed books in foreign languages, etc. Details of these programs were contained in the note he had submitted to the meeting.<sup>2</sup>

He asked what would the effect on the Soviet Union be of increasing East/West exchange programs. The West could not possibly lose by increasing such exchange programs. These should be organized primarily through private groups.

In conclusion, he proposed the creation of a commission on cultural exchanges to support and encourage the spread of democratic ideals throughout the world. Mr. Gilman's paper also contained a table of comparative statistics showing various countries' expenditures and output in the cultural and information fields.

Mr. Glinne supported the proposals made by Congressman Fraser in his paper. He thought that the second suggestion of Mr. Fraser—to facilitate active cooperation among democratic political parties in defense of internationally recognized human rights by convening an annual world conference of democratic party representatives and establishing a secretariat to support activities of the project—deserved particular support. But what would the most appropriate framework for such a conference be? It was important to avoid a structure similar to the Interparliamentary Union.

#### THREATS FROM RIGHT AND LEFT

Threats to society and human rights were widely considered to come largely from left-wing forces, but right-wing forces had arranged takeovers of states in order to maintain economic and social privileges.

Although he continued to be suspicious of the activities of the Soviet Union and the Eastern European countries, he wondered whether these Communist regimes were really capable of spreading their systems elsewhere, especially if the West were to challenge them on the basis of human rights and democracy.

Throughout the world many crimes were committed daily in the name of liberty, for instance, the "Suppression of Communism" Act in South Africa.

What action should be taken on Congressman Fraser's paper?

First, the West could not remain silent about the situation in Africa. Action should be taken concerning Africa not only through the United Nations, as suggested by Congressman Fraser, but through a number of international agencies.

<sup>2</sup> See p. 57.



Second, we had to put the principle of respect for human rights above the principle of nonintervention in the internal affairs of states. In practice, we should send investigatory missions to countries where violations of human rights were reported.

Third, the first suggestion made by Mr. Fraser concerning "an international parliamentarians' newsletter on human rights" should be taken up. It was essential that parliamentarians should be fully informed of action taken by the U.S. Government, the Community or its individual member states in protecting human rights, such as the decision of the European Commission to refuse to extend trade arrangements with Uruguay.

Finally, although Mr. Schuijt's suggestion of establishing a working group for people was a good idea, what was needed was a broader basis and larger group.

#### PRESS AND RELIGIOUS FREEDOM

Mr. Rosati agreed with the stress placed on cultural exchanges by previous speakers. He had been particularly impressed by the factual information provided by Mr. Gilman on the Soviet propaganda effort. He agreed with Congressman Fraser on the need to initiate action to protect the three most important human rights that had been quoted rather than to launch into more controversial errors even though he considered that to the three rights on which there seemed general agreement should be added the right of religious freedom and freedom of the press.

The West must try to insure the implementation of the Helsinki texts on the freer circulation of ideas and people. Violations of Helsinki must be denounced, and "Euro-Communism" should also be denounced. Communism was the same throughout the world whether in Eastern Europe or in Western Europe.

He wondered whether Mr. Gilman had perhaps implied that there could be some principles and issues more important than those of human rights. If this were what had been meant, he disagreed.

"Interventionism" by Western powers had been denounced at this meeting. It should be remembered that this was not limited to the United States. Chancellor Schmidt had also "intervened" in speaking of internal Italian developments. Although every state had the right to choose its own system it was legitimate for the United States or other political leaders to express their views concerning internal political developments.

#### JOINT GROUP SUPPORTED

In conclusion, he agreed with the proposals made by Congressman Fraser and Mr. Schuijt on the creation of a joint working party.

Mr. Biester introduced the paper he had submitted to the meeting. He was confident that the Third and Fourth World countries were capable of working out their own systems of government without Western or other intervention.

In recent years we had come to realize that we lived in one global economy. But this economy was "skewed" by an imbalance in the distribution of wealth. We had to try to get back towards the center. In this context OPEC, International Bauxite Association and others



were not "cartels" but were countries exploiting what few economic resources they had.

A global society was also developing. A bad "skew" was developing here too! If freedom was reduced in certain countries these states became "garrison states" imprisoned in their own systems. As members of one human family, poverty and deprivation were matters for all our consciences. Traditionally, we were only supposed to care about the poor being fed and clothed, but developing their minds and their personalities was equally important.

#### AUTHORITARIANISM UNPRODUCTIVE

He did not think it realistic to set up our own standards about the countries to which we should give aid. Such a policy was both presumptuous and unworkable. Authoritarian governments had within them the seeds of their own downfall.

Mr. Bordu asked speakers to be restrained in their comments, and regretted that more time was not available for the discussion.

It was important to distinguish between the many different degrees which existed of violations of human rights.

Individual states had laws which had to be respected. "Competition" between different states and political systems was quite normal and healthy. People in different countries should be fully aware of the systems of other countries so that they would be able to judge different political systems effectively. It was not possible to set up a single universal model by which human rights and violations could be judged. We should be realistic and perhaps limit ourselves to the three fields outlined by Mr. Fraser.

#### OTHER KINDS OF VIOLATIONS

If we tried to enforce human rights standards outside our own part of the world we would only increase international tensions. There were all sorts of different violations of human rights which could not be ignored, such as the arms stocks being built up in Iran and, also, the growth of nuclear weapon stocks, which brought with it a threat to humanity.

In conclusion, he said that the French Communist Party was open to suggestions and ideas. He pointed out that the French Communist Party had renounced the concept of the dictatorship of the proletariat, since it could not approve the rule of a minority. The French Communist Party worked together in a wider political framework which hoped to include many political forces. Its aim was to achieve a new kind of democracy in France. It had no intention of disrupting the French political framework and it could certainly not do this, in any case, against a popular majority. If France were to have a left-wing government, this would reflect the will of the French people.

#### SOME LIMITATIONS NEEDED

Mr. Broeks said that in acting as parliamentarians on human rights we should follow the advice of those who had suggested limiting our activities to the protection of three or four of the most essential human

rights and trying to stop the violation of these rights. He disagreed with the views expressed by Sir Peter Kirk. There was considerable difference between the violation of some human rights—however important these might be—and being put into a concentration camp or shot.

The United States and the Community could influence human rights developments in areas such as Asia, through trading policy. Trade policy could be used, if necessary, against countries where the United Nations or Amnesty International had noted serious violations of human rights.

He agreed with the proposal made by Mr. Schuijt that a working party should be set up. This should be larger than four members, possibly three or four members on each side. As for the group's terms of reference, it could begin by listing those countries with which the Community and the United States had trade relations and which were guilty of violating human rights. The type of action to be applied against these countries could then be determined.

Mr. Spénale said that he felt that the press could be informed—at the press conference which was due to conclude the morning's work—that there had been broad agreement on Mr. Fraser's proposals and on the creation of a joint working party as suggested by Mr. Schuijt, although there had been understandably some minor differences of opinion over points of detail.

Finally, it was important that we ourselves recognized violations of human rights whenever these occurred in our own countries and that we should act against such violations.





## PAPERS

### ECONOMIC ASSISTANCE IN HUMAN RIGHTS

Paper by Paul E. Tsongas

Gentlemen, let me first tell you of my interest and experience in the area of democratic development in the world and perhaps give you some insight into where I am coming from, to use the current American expression.

Between 1962 and 1964 I lived in a small town in Ethiopia as a Peace Corps volunteer involved in both teaching and community development. In 1967 and 1968 I again worked for the Peace Corps, this time in the West Indies but with a far less intimate relationship with the people of those countries. This Third World cross-cultural experience has, I believe, enabled me to gain some insight into the dynamics of the non-Western societies. It has also helped to define my concerns as an elected representative. My long-term interest in the Congress is in the field of international trade and finance, and it is my hope that in time I will be able to develop an expertise in this field which I will be able to offer to my colleagues.

#### POLITICAL GOALS SEEN

Trade and financial assistance programs by definition involve both the giving and the getting, as each participant in the trade seeks to further their own ends. In some cases those ends are purely economic, such as the trade of German-made Volkswagens to the United States or American computers to South America. Sometimes the ends are humanitarian, such as assistance to countries following national disasters. Very often, however, the ends are political. They are political both in pursuit of the individual country's goals and furtherance of the socio-political system to which that country subscribes. This political ingredient is more real than apparent. There are many Third World leaders who are convinced that all financial assistance and trade is political. Indeed there are those who think that all economic and humanitarian relationships are merely political relationships disguised.

Rightly or wrongly this perception is critical to our discussion today. I am convinced that in the dealings between North and South, between the developed and less developed worlds, there exists a mind set of skepticism at best and the outright hostility at worst on the part of the recipient countries. Specifically, bilateral financial assistance (and even trade) is more often resented than appreciated; thus the call for a New Economic Order that was and is before the United Nations and was the focal point of the Sri Lanka Conference of Non-Allied nations this past summer.

The countries where we hope to encourage democratic development are the very countries where overt attempts to encourage anything may well be counter productive. Where in your experience has the advice of the rich and comfortable been well received by the poor and hungry?

So where does all this leave us? It seemed to me when I was in Ethiopia that the United States never really understood how the average Ethiopian viewed both the world in general and the Western World in particular. For example, it seemed to me that we were still of the John Foster Dulles mentality that viewed the Third World as important only in a grand struggle between a free world and a Communist block. Thus we believe that in the case of Ethiopia, or Indonesia or India, for example, neutrality in the struggle was immoral. Viewed from a Third World Culture perspective, this, of course, is nonsense. Even worse, it is insulting. The value of a nation to its people has very little to do with the super-power conception to the struggle of the ideologies.

## MARKET DAY IN ETHIOPIA

If one were to approach any Ethiopian in the town of Wolliso on market day and ask him what democratic development meant to him, the question would be met with well-deserved puzzlement. The fact is that most Third World countries do not have a democratic tradition, and there are very few John Lockes or Rousseaus or Magna Cartas in the Third World legacy. Indeed the historic tradition in most Third World countries is based on social institutions that are mostly authoritarian, such as tribes, religious institutions, and the extended family. Thus, I believe it is more appropriate to talk about freedom and human rights, which I believe should be universal objectives no matter what ideologies may obtain.

In the post World War II era we have had thousands of instances of bilateral and multilateral relationships between countries. What have we learned? We know, for example, that the economic boycott of Cuba for the U.S. had a counter-productive effect. Rather than isolating and weakening Fidel Castro, we strengthened him by providing a Yankee hobgoblin. We have the examples of massive economic and military aid to Latin America, and I know of no one who will suggest that democratic institutions are in the ascendancy on that continent. We have had the examples of American and European involvement in raw materials with several African countries, and our relations with those countries today are hardly comforting.

## TIES WITHOUT STRINGS

One need only review the post World War II era to appreciate that the gap between policies intended and policies realized is enormous. Well then, perhaps one should conclude that we should throw up our hands in dismay and retreat to isolationism. Not at all! I strongly favor bilateral and multilateral trade between East and West and between North and South. And I also believe strongly in financial assistance programs, whether they be bilateral or involve the multilateral financial banks and funds. Trade and assistance should not have democratic development as its sole objective, nor should such democratic development be the criterion for participation in that trade and assistance. However, it should recognize that an economically advancing nation is far more likely to have the infrastructure necessary to fully appreciate and construct an atmosphere conducive to freedom and human rights. The trade and assistance should have as its objective an interdependence that binds us all, but ironically, can do so only if those ties have no strings attached.

Search your memories for examples where development meant democracy. Greece and Turkey during the Marshall Plan, Japan and Germany in the same era. Yes. Let us think of more recent examples—examples involving the non-aligned. Who has developed, who currently has nuclear capability—certainly a test of development—India, Taiwan, Brazil, Pakistan, Argentina, Korea, Mexico. Where is the uniform democratic development? The answer is obvious.

I suggest that the realities dictate that we adjust our sights. Development does not by definition bring about democracy. Nor can a pluralistic world provide an atmosphere where development can be tied to movement toward a specific ideology. If we don't help, there are others who will.

## DEVELOPMENT A PRECONDITION

Our focus then should be two-fold. First, even if development only occasionally results in democracy, it remains nonetheless a precondition. Name the undeveloped countries that have democratic institutions. The list is hardly extensive.

Second, our goal should be the advancement of human rights. This is not the same as the promotion of democratic institutions. One can be under non-democratic governments and still enjoy a kind of personal freedom that world society would deem acceptable. And it is this pursuit of human rights that can and should concern us.

The advancement of human rights can be achieved by altered policies of an existing government—unlike the coming of democracy which often requires the demise of existing governments. Thus the pressure to reform is viewed as generally different from the pressure to change institutions. The threat to the rulers is not to their power per se but rather to the way they exercise that power. The



latter I submit is more realistic and less likely to trigger the skepticism and hostility that I alluded to earlier.

A Third World head of state may be persuaded to abandon repression and the deprivation of human rights in return for the establishment of trade relationships. He will never, by contrast, be persuaded to make such a choice if the cost is his relinquishment of office in favor of free elections.

#### IDEOLOGICAL ILLUSION

(And I might add that the hope that withholding trade and aid in hopes of a change of government is, as with Cuba, an ideological illusion.)

What human rights are we concerned with? For Americans, I would submit, they are threefold. First, racial equality. The American experience in racial matters is mixed—from a history of the slave trade through the horrors of the civil war, and finally to the Martin Luther King era of struggle. We are now a nation committed by statute, to the simple phrase of the Declaration of Independence—all men are created equal. Our trade and aid should reflect that commitment. Thus we should not trade in Rhodesian chrome since it implies an acceptance of minority and racial rule, and a refutation of racial equality.

Second, religious freedom. We are, as a people, committed to international freedom of religious expression. Consequently, America has stood for the existence and survival of the State of Israel, the rights of Soviet Jewry to emigrate, and the opposition to American participation in any boycott of firms that deal with Israel. This commitment extends to other instances of religious persecution.

Thirdly and obviously, we are committed to the physical security of the individual—or to put it another way, we oppose the use of personal violence such as torture, jailings, beatings, and the wanton killing of citizens. As a consequence, we should express our outrage, for example, over the physical brutalities of the current regime of Chile, by more than simple laments. This commitment extends as well to the assurance of the basic need for food and shelter.

#### CHANGING PRIORITIES

So let us place human rights at the center of our criteria for aid and trade, and let's see where that leaves us.

*Bilateral Foreign Assistance.*—Foreign assistance by the United States on a bilateral basis has reflected the strategic worth of the recipient country to the United States and our perception of its devotion to our "cause". Thus aid in Africa goes to a Haile Selassie of Ethiopia, to Liberia, to Nigeria because they are "friends", and without reference to their degree of respect for human rights. In Latin America, Chile is the most obvious example. The historic criteria—stable, political leanings, strategic. Fine, but let now put respect for human rights at the top of the agenda and do so openly, publicly, and resolutely.

*Multilateral Assistance.*—The international development banks should also be involved. Although there is variance of Western influence between the World Bank and the African Development Bank, for example, the criteria need not vary. The historic criteria—need, political leanings, economic viability. I would substitute human rights for political leanings and add the criteria of impact on the populace, i.e. more agrarian self-help projects and fewer "showcase" steel mills.

*East-West Trade.*—The Jackson-Vanik amendment has had a controversial history but it has served to highlight a deprived human right, namely the right to emigrate. We have paid an economic price for that amendment, but then that merely reflects the injection of human rights as operational criteria along with economic gain, strategic importance, and relative ideology.

*North-South Trade.*—This is clearly the single most crucial matter before the world community next to nuclear holocaust. It has two parts. First, the respect for human rights in trade instead of the previous criteria. So the criteria of Bilateral Foreign Assistance would apply here as well. The second part, however, is more complex. It involves coming to grips with the legitimate demands of the Third and Fourth Worlds for a better standard of living—a better life embraced by a standard of living where basic human rights include food, shelter, good health and a decent education. Or put another way, of what value is freedom of speech to one without food, or freedom of religion to one without shelter from the elements?



The "haves" of the Western world will find that their life-style and their standard of living will survive only if the "havenots" experience a sense of catching up, a sense of sharing in the world's resources. This reality is just beginning to catch hold, and our concern for *our* long-term human rights can best be realized by assisting *their* present-term human rights.

#### CONCLUSION

My conclusions then, are as follows :

1. Trade and financial assistance are mechanisms which have long been used to achieve perceived ends.

2. Those ends have very often been political with regard to competing ideologies and social systems.

3. The success of trade and assistance based on these criteria in achieving our objectives has been questionable at best.

4. Human rights should be substituted as a primary criteria for assistance in economic development.

Hopefully, we can then proceed toward a world where human rights are encouraged, where the gap between the rich and poor has narrowed—and then, we just might witness the achievement of the objective we had put aside—democratic development.

## CULTURAL EXCHANGES AND DEMOCRATIC DEVELOPMENT

Paper by Senator Pell

I can think of few more important issues for consultations between the United States and Western Europe than the encouragement of democratic development and the observance of human rights throughout the world. Too often, the human and moral dimensions of international relations are overlooked or consciously downplayed in favor of other, supposedly more vital, aspects of national security and foreign policy.

I believe, however, that at a time when liberal democratic principles are increasingly threatened by varying forms of totalitarianism around the world, it is in the national interest of democratic societies to encourage the democratic elements struggling to assert themselves in so many countries. I happen to believe that nations, just as individuals, have a moral obligation—if they consider themselves civilized—not to ignore oppression and abusive practices wherever they occur. For those who take a more calculating view of national interests, it ought to be a matter of grave concern that democratic societies could become an ever decreasing minority in a world increasingly hostile to democracies, their values, and their interests.

Having said all this, what role can and do cultural exchanges play in furthering democratic development and promoting human rights?

### NO ONE-WAY STREET

Before proceeding to answer that question, I would like to make it clear that I do not look upon exchanges as part of a process of political manipulation or interference in the internal affairs of other countries. Even less do I look upon exchanges as a one way expression of cultural conceit in which non-Western societies are viewed as backward consumers of advanced Western culture, including democracy.

Rather, the principal purpose of exchanges is, and should continue to be, to maximize constructive contacts and mutual give and take between influential or potentially influential people in other societies in order to promote a better understanding of and respect for the achievements and values of each other's culture and institutions. Ultimately—and hopefully—such understanding and respect will influence the behavior of governments and will lead to more cooperation and less confrontation among nations *regardless* of their forms of government.

There is, however, another dimension to exchanges which relates directly to democratic development. A couple of years ago, the Hazen Foundation, a small private organization in New Haven, Connecticut, studied the impact of cultural exchanges on governmental behavior and concluded that cultural relations "are the chief means to shape the future of men and nations, to change their directions through creative mutual borrowing and to strengthen an awareness of shared values. . . ."

It is this concept of "creative mutual borrowing" that I would like to relate to the theme of this morning's discussion. Exchange programs, if they are well planned and carried out, provide a two-way market place of ideas, many of which hopefully will be relevant to the needs and aspirations of participants on *both* sides of the exchange.

### CREATIVE MUTUAL BORROWING

Among the important ideas and related value systems which the democracies have to offer is their political system and respect for human rights. To the extent that democracy is shown as a system responsive to the needs of its people and it is demonstrated that government can function on the basis of the consent of the governed and the minimum use of coercion, so too will the prospects be maximized that democracy will form part of the "creative mutual borrowing" process.

It should be borne in mind, however, that whether or not democratic ideas or values are borrowed by another nation will depend more upon the needs, conditions, and quality of leadership obtaining in that country than by whatever exposure is fostered through contacts with a democracy. Yet, where conditions are favorable for democracy, contacts with legislators, educators, journalists, and jurists in democracies provide important encouragement, support, and intellectual stimulation to democratically inclined elements.

In this connection, it is encouraging that many recently established democracies are actively seeking help in making their new institutions work; other nations which have experimented with democracy intermittently have not ruled out a return to democracy; and a third group of countries—while closed and in some cases rigid, totalitarian societies—at least pays lip service to democratic principles. There is, consequently, a potential receptivity for democratic ideas and a nucleus of democratically inclined leaders in much of the world. That should be a source of optimism!

#### LUXURY OF CONSENT

On the other hand, it should be realized that many countries have not yet consolidated their nationhood to an extent that consent can replace coercion as the basis of their political organization. Before that essential aspect of democratic development can occur, history has shown us that bonds of mutual loyalty and kinship must first be forged within a state. The prospects for democratic development are, therefore, less encouraging where the internal consensus to live together as a nation is weak or non-existent as compared with a state with a strong sense of nationhood.

In addition, there are nations, some cohesive in terms of their nationhood and others not, in which animosity toward democracy, either deriving from their colonial experience or for other reasons, is so strong that there is little likelihood that any "creative mutual borrowing" can take place. In these cases, it will first be necessary to break down the barriers of prejudice and suspicion—which are often mutual, I might add. Faced with this kind of obstacle, it will be sufficient if a dialogue aimed at creating understanding and mutual respect can be initiated and maintained.

Ideally, exchange programs are most effective if an effort is made to bring together people who are either already favorably inclined toward learning about each other or are sufficiently openminded to permit a fruitful exchange of ideas. In addition, the ideal exchange visitor should be someone whose personal, professional, or power potential is such that he can make a difference in his own country. Quite often, as we have seen, it will not be possible to combine both of these ideal aspects of cultural exchange, and the process of facilitating democratic development through cultural exchanges will often be a slow one. But breakthroughs *do* occur. In one recent case that has come to my attention, a high official of a radical developing country remarked that his visit to the United States changed his ideas about America and Americans and that his first-hand impressions were totally different from the anti-American propaganda he had been exposed to back home.

#### RAISING EXPECTATIONS

In cases such as these, it is success enough if a foreign visitor is able, through an exchange program, to compare his own perceptions of another country, or those of his government, with the real thing. In fact, in many cases, the very exposure of foreign visitors to a free flow of ideas, even if they do not involve politics, may raise expectations about individual rights and opportunities and thus generate resistance to political constraints.

Given the potential good that cultural exchanges can promote, it is discouraging to me that governments spend so little money on them. In a world which is spending more than \$250 billion for military purposes, it seems to me that it is logical and sensible to devote more attention to cultural exchanges and make them a major activity warranting at least one-half of 1% of the amount devoted to military preparations.

For some time, I have been arguing for a reordering of American foreign policy priorities and have called for a contraction of certain military and political activities in favor of an expansion in the economic and ideological areas. In this latter area, I have pointed out that the Department of State spends only \$60



million on the exchange of persons programs and that a ten-fold increase in that amount would only be the equivalent of two nuclear powered guided missile cruisers.

#### CONFIDENCE IN NATIONAL VALUES

What would be the response of the rest of the world if the United States and other democracies were to increase sharply their exchange programs? I am thinking particularly of the reaction of those countries which now look with disfavor upon democracies and are reluctant to engage in extensive exchanges of their citizens. I believe those countries would find it difficult to stay aloof from a major effort designed to break down the suspicion, prejudices and hatred which have characterized international relations for too long. Moreover, I believe that national and cultural pride would cause countries everywhere to want to participate fully out of concern that failure to do so would indicate a lack of confidence in their own traditions and values.

It seems to me that no country would admit that its way of life and its social, political, and economic system will not stand the light of scrutiny, that its citizens are vulnerable to losing their national ties through contacts with foreigners, and that they have nothing to offer in an exchange of ideas.

In closing, I would like to observe that in addition to being America's bicentennial year, 1976 is also the 30th anniversary of the Fulbright exchange program which is probably the largest planned program of education exchange in the history of the world. While the impact of this program, or another interchange of people and ideas, is difficult to assess with any degree of precision or confidence, I believe that it has not only generated a greater and more favorable understanding of America and its people but that it has also contributed to the furtherance of respect for democracy and human rights generally.

I am convinced, however, that neither we in the United States nor others in the Western community ought to be content with what has been achieved in the past through cultural exchanges. More can and must be done, for I fear that the future challenges to democratic values and the ability of disparate nations to live together in peace are greater than is generally realized.

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#### Comments of Congressman Benjamin A. Gilman on Senator Pell's Paper

In the United States and throughout Western Europe, the concepts of human rights and democratic development have evolved not from our various political institutions, but are instead fundamentals of our cultural heritage.

As Senator Pell has so thoughtfully pointed out in his paper before us this morning, cultural exchanges help to "maximize constructive contacts . . . in order to promote a better understanding of respect for the achievements and values of each other's culture and institutions." It is this respect and understanding that hopefully "will lead to more cooperation and less confrontation among nations regardless of their forms of government."

The importance of this needed interchange cannot be overstated in an ever increasingly interdependent world compounded by the increased importance of national identity in a post-colonial period. Unfortunately, as the Senator also states, there are those who use cultural programs solely as part of a process of political manipulation or interference.

Whatever our individual national policies are concerning the use of cultural programs, we must recognize and comprehend their use by other nations. For instance, the Soviet Union leads the world in many categories of cultural and information services as measured by total expenditures and volume of output. Their external programs are coordinated at the highest levels of government to be used solely as a tool for the implementation of their foreign policy.

In the fields of broadcasting, films and printed cultural information discrimination, they are world leaders. Each week, they broadcast over 1,980 hours in 84 different languages. They produce over 450 documentary films and print over 140 million books each year for distribution in foreign countries. I might add that one of their prime targets is Western Europe. (Comparison figures follow statement.)

Around the globe, the Soviets spend an estimated \$800 million a year to support such programs as 72 cultural centers, 195 news gatherings and distribution agencies and provide scholarships to Soviet universities for some 19,000 students in the developing world.

With such an intensified effort by the Soviets alone, it would seem to indicate their belief that cultural programs can be very beneficial to their objectives. Senator Pell asks the question, "what would be the response of the rest of the world if the United States and other democracies were to increase sharply their exchange programs?" I believe we should also ask the question, what are we losing by not increasing those programs?

The approach we take in responding to the need for increased exchange programs will be of great importance. The value and usefulness of such programs, as the one in which we are now participating, has been proven over time. Government sponsored approaches work well to bring together the leaders of nations who are already inclined toward learning about each other and have no misunderstandings concerning each nation's motives. However, I think we must recognize the contribution that is made in the free world by the private sector.

Unlike the Soviet Union where all foreign activities are regulated by the government, we enjoy the benefits of the free and uncensored exchange of ideas, values and impressions made possible by a vast network of private organizations. In what is clearly a reflection of the differences in the two political systems, we should encourage those activities to demonstrate our view of the concepts of human rights and democratic development.

It is unlikely that the impressions gained by the 19,000 students from the developing nations now studying in the Soviet Union will provide them with an appreciation of democratic principles. I have no doubt, however, about the experiences gained through exchange programs as provided by the independent community colleges such as in my own congressional district. Those students from this nation and abroad, will learn not only who we are and what we seek, but more importantly what we are and what we have to offer.

Perhaps a contribution that this interparliamentary forum can make towards that goal would be to help create a Commission on Cultural Exchange to support and encourage the spread of democratic ideals throughout the world. The need is there, and as Senator Pell concludes, "the future challenges to democratic values . . . are greater than is generally realized."

COMPARATIVE EXTERNAL CULTURAL AND INFORMATION DATA, 1975<sup>1</sup>

	Arab Republic of Egypt	Brazil	Cuba	Democratic People's Republic of Korea	Federal Republic of Germany	France	Israel	Japan	People's Republic of China	United Kingdom	Union of Soviet Socialist Republics (U.S.S.R.)
Fiscal data:											
GNP (billion dollars)	9.0 (1974)	85.0 (1975)	6.1 (1974)	1974 <sup>2</sup>	398.1 (1974)	284.0 (1975)	11.4 (1975)	452.4 (1974)	223.0 (1974)	175.0 (1974)	722 (1974)
Annual budget (billion dollars)	5.9 (1974) <sup>3</sup>	14 (1975 est.)	( <sup>1</sup> )	5.4	62.0 (1975)	76.4 (1975)	9.1 (1975-76)	70.9 (1975)	( <sup>1</sup> )	56.0	266 (1974)
Program expenditures (million dollars)	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	40	418.2	436.6	( <sup>2</sup> )	164.8	( <sup>1</sup> )	107	800 (est.)
Percentage of budget	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	0.75	0.67	0.6	( <sup>2</sup> )	0.2	( <sup>1</sup> )	0.2	0.3
Personnel:											
Cultural attachés	15	14	( <sup>1</sup> )	120 in info/ cult work	47 <sup>5</sup>	117 (1975)	77 (of whom 8 full-time "cultural coun- sellers")	10 full-time	( <sup>1</sup> )	115	( <sup>1</sup> )
Press attachés	20	5	( <sup>1</sup> )	( <sup>2</sup> )	56 <sup>5</sup>	130	( <sup>2</sup> )	57 full-time	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Technical advisers and instructors	2,000	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>1</sup> )	2,500	8,731	500	( <sup>1</sup> )	( <sup>1</sup> )	7,000	( <sup>1</sup> )
Teachers	( <sup>2</sup> )	45 academic chair- holders	( <sup>1</sup> )	( <sup>1</sup> )	1,593 (Ger- man nationals)	24,328 (1973-74)	( <sup>2</sup> )	31	( <sup>2</sup> )	504	800 (1971)
Center directors	( <sup>1</sup> )	100	( <sup>1</sup> )	( <sup>1</sup> )	132	179	1	48	( <sup>1</sup> )	120	( <sup>1</sup> )
Librarians	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	17	140	( <sup>2</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	25	( <sup>1</sup> )
Broadcasting (1975):											
Radio (program hours per week)	1,080	21	311	457	768	374 (1974)	325	259	1,412	728	1,980
Language	32	3	8	8	37	4	13	21	43	40	84
Transmitters	15	7	3	17	26	23	( <sup>2</sup> )	12	95 (est.)	76	130 (est.)
Television	2,000 hrs. of films exported annually	( <sup>2</sup> )	( <sup>1</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	12 news- reels and 40 shorts	( <sup>1</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Publications:											
Donated books	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>2</sup> )	( <sup>1</sup> )	480,000 (1974)	2,177,000 (1974)	( <sup>1</sup> )	23,510	( <sup>1</sup> )	304,531	( <sup>1</sup> )
Major periodicals	( <sup>1</sup> )	No regular publica- tion	19 (est.)	12	20 (1974)	3	1	7	7	( <sup>2</sup> )	17

See footnotes at end of table.



## COMPARATIVE EXTERNAL CULTURAL AND INFORMATION DATA, 1975 1—Continued

	Arab Republic of Egypt	Brazil	Cuba	Democratic People's Republic of Korea	Federal Republic of Germany	France	Israel	Japan	People's Republic of China	United Kingdom	Union of Soviet Socialist Republics (U.S.S.R.)
Films (Government sponsored production and distribution):											
Documentaries.....	(?)	(?)	30 (1975-76)	(?)	56 (1975)	14 (1974)	Some	8	About 35	80-100	450 (1973)
Features.....	About 1,000 films distributed annually.	(?)	8 (1975-76)	500-600 showings annually.	8	34	2	57	About 20	82	24 (1973), including television.
Prints.....	(?)	(?)	(?)	(?)	11,300 (1973)	23,890 (1974)	(?)	54	(?)	7,202	(?)
Cultural and information centers.....	21	15	11	3	117	179	1	26	(?)	117	70 plus (est.)
Exchanges:											
Grantees received from abroad.....	40,000	(?)	(?)	(?)	(?)	18,400 (1974)	(?)	2,272	787 delts. (1975)	26,541	19,000 (1972)
Grantees going abroad.....	(?)	(?)	(?)	(?)	(?)	2,100	(?)	6,565	(?)	(?)	(?)
Festivals.....	(?)	(?)	15 (1973)	50 plus	(?)	(?)	6	30	(?)	(?)	300
Performance.....	(?)	(?)	15 (1973)	80 (1973)	(?)	1,515	500 performers.	14 groups; 101 performers.	16 cult. delts. and 55 sports delts. went abroad in 1975.	(?)	300-400 (1971).

<sup>1</sup> United States Information Agency—Office of Research (Unclassified)—External Cultural and Information Programs of Selected Countries in 1973.

<sup>2</sup> No reporting on the subject categories.

<sup>3</sup> Include war emergency budget.

<sup>4</sup> Pertinent data are not available.

<sup>5</sup> In addition to the 103 cultural and press attaches, 23 officers hold dual cultural-press positions.

## DEMOCRACY AND ECONOMIC DEVELOPMENT: PROBLEMS AND PROSPECTS

Paper by Edward G. Biester, Jr.

More than a decade of sobering experience has done much to enlighten Americans about the complex relationship between economic development and the growth of democratic institutions. In March, 1961, few of us questioned, or were uninspired by, President Kennedy's enunciation of the premises and goals of the United States' first comprehensive development program, the Alliance for Progress. "Our unfulfilled task", he declared, "is to demonstrate to the entire world that man's unsatisfied aspiration for economic progress can best be achieved by free men working within a framework of democratic institutions . . . (and) we propose to complete the revolution of the Americas, to build a hemisphere where all men can hope for a suitable standard of living, and all can live out their lives in dignity and freedom. To achieve this goal political freedom must accompany material progress."

Fourteen years later, however, Secretary of State Kissinger's address before the UN Seventh Special Session (which, significantly, was the product of unprecedented consultation with Members of Congress) contained not a single reference to "democratic institutions" or "political freedom". Such an omission, I am certain, was neither unintentional nor simply a reflection of differences in style. In fact, fundamental changes in our perceptions and priorities explain the evolution of American policies related to the developing world.

### A FRAGILE HOPE

In retrospect, the hope of encouraging democratic institutions along with economic development has proved to be more fragile than planners of the "Allianza" anticipated. It would be useful here to enumerate a few of the lessons learned since 1961, leaving the consideration of particular cases to our group discussion:

(1) In many instances more "democratic" LDC's have found it terribly difficult to mobilize the resources and concurrently impose the discipline on both capital-owners and labor necessary for economic "take-off". Hence, the appeal of the single party or authoritarian model, or at least a more socialist development strategy.

(2) Economic growth may lead to an increase in social and political conflicts injurious to the growth of democratic institutions. This has been most often the case in Latin America, where a growing middle class and increasing organization of peasants and labor have led to military coups by threatened conservative elites or, alternatively, by aspiring "radicals".

(3) Increasingly, LDC's perceive themselves as forming a Third World "bloc" which, at least in theory, must remain aloof from the "ideological" struggles of the superpowers. In other words, United States relationships with members of this "bloc" may depend less upon any political affinity (e.g., the sharing of democratic institutions) than on common economic interests and a mutual concern in avoiding the spread of superpower confrontations to the Third World.

(4) Economic aid seems a particularly unwieldy tool for a "carrot and stick" approach to encouraging democratic development. While there is some chance that economic aid may help support a shaky "democratic" government, there is little evidence to show that the withdrawal of such aid, by itself, will topple a nondemocratic one. Moreover, cutbacks in aid to an LDC gone authoritarian may drastically affect the poorest of that country, further inhibiting opportunities for growth which could hopefully create preconditions favorable toward a political liberalization of the regime.

### AVOIDING ARROGANCE

To the above observations—which, in my view, argue against attempts to closely link economic development to political democratization—I would add a

general, but oft-forgotten, admonition: while we may venerate our peculiar conception of democracy, it is not a self-perpetuating system adaptable to any body politic. Attempts to define how and what sort of democratic institutions might be developed in country X, Y or Z will inevitably appear as evidence of American arrogance. At best, such concerns will seem pitifully irrelevant. One need only recall the caution of Mahatma Gandhi: "God, Himself, dare not appear to a hungry man except in the form of bread".

Having said this, it does not follow, however, that the political institutions of LDC's should, or can be, totally irrelevant to American economic assistance programs. Whether or not a recipient government can qualify as "democratic", its respect for human rights as defined, for example, by the UN Declaration, will often influence the flow of international economic assistance. The explanation for this is two-fold.

The first reason should be well understood by all legislators assembled here. Economic assistance from the industrialized nations to the LDC's involves more than the extension of technical cooperation or trade preferences; it involves, as well, a transfer of some real resources from "North" to "South". Thus, to the degree that our constituents are contributing a portion of these resources to international development, we cannot be insensitive to their deeply-felt concerns about gross violations of human rights by certain recipient nations. And for those who would doubt the sincerity of these concerns, I need simply point out that recently enacted legislation would require, in prescribed cases, the cut-off of all American economic assistance to nations engaged in such systematic violations. Short of a total cut-off, some nations such as Chile have witnessed reductions in aid as a direct result of their practices in this area.

#### DEMOCRACY AND DEVELOPMENT

Second, one could hardly argue that the more authoritarian LDC's have a particularly good record in economic development. Practices such as arbitrary arrest and torture do not, in general, enhance prospects of developing a competent managerial class or attracting foreign investors. Perhaps the People's Republic of China need not be concerned about creating a proper climate for foreign investment; however, this may not be the case, for example, with India. . . .

Admittedly, the task of translating our broad concerns with human rights into some effective action, even over the "long-term" of the development process, will remain a perplexing one. For reasons indicated above, progress in this area will be spotty at best. And while I do not believe that multilateral development organizations are, in every case, the best response to the economic challenges we may face, they may well be a more effective vehicle than bilateral programs in advancing the cause of human rights. Most importantly, donor nations working together in this area can demonstrate that their shared concern is not subject to misinterpretation or to playing-off one industrialized country against another. We of the industrialized world know all too well that man's inhumanity to man is not a simple function of our level of economic growth. But now that we have resolved to build a global framework for economic development and cooperation rather than continue the dangerous trend toward greater division between rich and poor, should we not renew a common effort to improve political as well as economic justice? To such a rhetorical question, one can always answer in the affirmative. A more awesome question remains for us to discuss: "How?"



## INTERNATIONAL ECONOMIC RELATIONS, DEMOCRACY AND HUMAN RIGHTS

Paper by Pierre-Bernard Cousté

"... human rights are as important to the life of a nation as economic well-being—they are not 'luxuries' only the rich can afford, but the basic entitlement of all people." Amnesty International, Annual Report 1974/75.

The numerous opinions expressed on our general theme reveal a basic agreement on the principles and values without which our societies simply would not exist. In recent statements both Mr. H. Kissinger and Mr. J. Carter have stressed the importance of the defense of human rights in international relations. The Secretary of State emphasized that one of the most effective weapons in the struggle against the degradation of human values is still the organized concern of the Community of Nations.

Mr. Carter declared that the United States and its allies should take the lead in establishing and promoting basic global standards of human rights. He feels that injustice in the world can be alleviated by our example, by the expression of our opinions and by the various forms of economic and political persuasion at our disposal. At the last meeting of the Organization of American States, Mr. Kissinger went so far as to say that "a government that tramples on the rights of its citizens denies the purpose of its existence". (*Time*, August 16, 1976).

### EXAMPLE, INTERVENTIONS, AND PERSUASION

All of us will undoubtedly support the statements quoted above. Indeed, the fact that we are debating this theme represents a step towards the "organization" of our common concern.

It is only fair that we should be expected to practice the example we preach. It is the very essence of our own internal democracy, of the development of our social democracy and our liberties. While condemning extortion and refusing the unacceptable, we must at the same time set an example and encourage others to follow it. Demonstrations of opinion, official and unofficial interventions and lobbying are just a few of the many ways in which we can make clear to others what the legal position is and what may be the political and other consequences of their actions. In the long run the procedure or method used is of little importance, though unofficial representations are perhaps more effective. The essential point is that the intervention must be decisive, must make it clear where responsibilities lie, and must be made before it is too late.

*Economic and political persuasion* can be used in many circumstances. Several of the developing countries with whom we cooperate asked us to show, by practical preferential measures in the trade and aid sectors that we encourage and favor those countries which maintain parliamentary democracy and civil liberties. We feel politically and morally justified in using all available forms of influence or persuasion on countries with which we have established special ties, to remind them discreetly but firmly of universal rights, or to induce them to show clemency and to grant political amnesty.

### A RADICAL POLICY PROPOSED

In so far as there is a serious desire to establish "organized concern," the policy of supplying military equipment of any kind, to any country, must be abandoned. Depending on the regime involved, a distinction must be drawn between straightforward commercial consignments and other consignments such as arms and military equipment. A radical, long-term policy of this kind naturally requires genuine coordination to avoid competition and undercutting. Above all it requires firm convictions and consistency between objectives, statements and policies.

As regards cultural exchanges, there must be a free flow and numerous contacts at international level among the democratic countries. Moreover, future leaders of developing countries should be given frequent opportunities to meet the leaders of established democracies. By exchanging experiences and forming a common, democratic vision of the future it will thus be possible to establish an "International" based on parliamentary democracy and civil liberties.

#### STRENGTHENING THE GUARANTEES OF DEMOCRATIC RIGHTS

The Universal Declaration of Human Rights and United Nations agreements are not enough to guarantee respect for rights and liberties. We must both extend international constitutional law and create new forms of guarantees. Relations between states are based on human rights. The rights of the individual and the possibilities of appeal must now be consistently developed, in line with the development of international legal and jurisdictional procedures. We must encourage our legal experts, diplomats and other officials responsible for international relations to develop and experiment with new procedures, which must be both effective and acceptable to all regimes. One possibility might be secret enquiries carried out by an international body and acceptable even to a totalitarian or dictatorial regime, in order to throw light on a complaint, an accusation or on information relating to human rights.

Public opinion is playing an increasingly important role in international relations, in particular by denouncing the violation of human rights. It is highly desirable that the public be made aware that their political leaders not only share its concern in this matter but are endeavoring to take concerted action and to establish a "common concern" with a view to restraining the unacceptable attacks on human rights.

## APPENDIX

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### BIOGRAPHIES OF PARTICIPANTS

#### EUROPEAN PARLIAMENTARIANS

GÉRARD BORDU, born April 21, 1928, at Melun, C.A.P. and qualified electrician. Member of the National Assembly since March 1973. Member of the Central Committee of the French Communist Parliamentary Group. Former secretary of the Federation of the French Communist Parliamentary Group in the Seine and Marne district. Vice President of the European Parliament; Member of the Committee on Economic and Monetary Affairs. Communist and Allies Group, France.

JAN. B. BROEKSZ, born February 12, 1906, at Amsterdam. Office manager in Vara Broadcasting, then Secretary/Treasurer in 1940. Network secretary 1945-66, then chairman of Vara. Chairman of European Broadcasting Union from 1965 to 1971. From 1935 to 1962 member of Hilversum local council. Member of the First Chamber of the States General since 1956, Dutch Labour Party (pvdA). Member of the Legal Affairs Committee and the Committee on Development and Cooperation. Vice Chairman of the Socialist Group, Netherlands.

PIERRE-BERNARD COUSTE, born June 29, 1920, at Rochefort-sur-Mer. Doctor of Law; Company Director; National chairman of "Centre des jeunes patrons" 1958-61; Chairman of "Fédération des jeunes chefs d'entreprises d'Europe" 1961-64. Managing Director of Société Lumière. Chairman of Rhône-Loire committee of foreign trade advisers. Member of the National Assembly since 1962. Allied to the Union des démocrates pour la République (UDR). Former Vice-President of the European Parliament. Member of the Committees on Economic and Monetary Affairs, External Economic Relations, and the Joint Parliamentary Committee of the EEC-Turkey Association. Group of European Progressive Democrats, France.

ERNEST GLINNE, born March 30, 1931, in Forchies-la-Marche, Belgium. Diploma in Political Sciences, Brussels University. Member of the Belgium Parliament since 1961. Minister of Employment and Labour 1973-74. Mayor of Courcelles since 1964. Member of the Belgium Delegation to the United Nations: specialist in problems of the Third World. Member of the Committees on Social Affairs, Employment and Education, and on Development and Cooperation; Member of the Joint Parliamentary Committee of the EEC-Greece Association. Vice President of the Socialist Group of the European Parliament, Belgium.

ROGER HOUDET, born June 14, 1899, in Angers. Agricultural engineer; Graduate of "Ecole supérieure d'électricité"; General engineer for rural areas. 1937 Principal Private Secretary to Mr. Georges Monnet, Minister of Agriculture; 1952 Under-Secretary of State for Agriculture; 1953-55 and 1958-59 Minister for Agriculture; 1958 President of the Committee of Agricultural Ministers of OECD countries. 1959 resigned from ministerial office to serve term of office as Senator; 1968 re-elected Senator (Seine Maritime). 1962 elected Mayor of Luneray. 1962-64 Member of the supervisory board of RTF. Member of CODER (regional economic development committee) in Upper Normandy. 1965-68 Delegate to Consultative Assembly of the Council of Europe and to the Assembly of the WEU. Member of the Senate Committee on Cultural Affairs. Group of Independent Republicans. Chairman of the Committee on Agriculture; Member of the Committee on Regional Policy, Regional Planning and Transport. Liberal and Allies Group, France.

NORBERT HOUGARDY, born November 1, 1909, in Etterbeek. Studied for degree at the "Institut Supérieur de commerce". 1939 President of the Brussels Young Liberals. 1940-45 Lieutenant Colonel in the Resistance; decorations.



Journalist and Company Director. Senator for Brussels since 1956; Vice Chairman "Parti de la Liberté et du Progrès" (PLP); 1967-68 Vice President of the Senate; Member of the Committees on National Defence and Finance. Former Vice President of the European Parliament. Member of the Committees on Economic and Monetary Affairs, and on Energy and Research. Vice Chairman of the Liberal and Allies Group, Belgium.

EDGAR JAHN, born November 21, 1914, in Neustettin (Pomerania). Studied history, law and political science in Berlin and Graz. Doctorate in political sciences. War service. Author and publisher since 1947. Chairman of "Arbeitsgemeinschaft Demokratischer Kreise" 1951-69. Vice Chairman of the refugee federation. Member of CDU since 1947. CDU Land Chairman for Brunswick and Member of the CDU Land executive for Lower Saxony. Member of the Bundestag since 1965. Vice Chairman of the Committee on the Environment, Public Health and Consumer Protection; Member of the Political Affairs Committee and the Joint Parliamentary Committee of the EEC-Turkey Association. Christian-Democratic Group, Federal Republic of Germany.

SIR PETER KIRK, born May 18, 1928 in Oxford. Educated Marlborough College, Trinity College, Oxford, and Zurich University; President of the Oxford Union 1949. Former journalist, and director of public relations company. Also used to produce documentary films. Member of Parliament for Saffron Walden since 1965; represented Gravesend 1955-64. Under-Secretary for War 1963-64; Under-Secretary of Defence for the Army 1964; Under-Secretary of Defence for the Navy 1970-72. Delegate to the Assemblies of the Council of Europe and the WEU for the whole period of his membership of the House of Commons except for the time that he was serving as a junior Minister. Member of the Political Affairs Committee and the Committee on the Environment, Public Health and Consumer Protection. Chairman of the European Conservative Group, United Kingdom.

THOMAS NOLAN, born July 27, 1921 in Carlow, Ireland, 1939-46, Army officer. Wholesale distributor. 1961-65, Member of the Senate. Deputy (Fianna Fail Party) for Carlow-Kilkenny since 1965. 1964-66, Member of the Consultative Assembly of the Council of Europe. 1969-73, Dáil Committee of Public Accounts. Member of Carlow County Council since 1960; Muine Bheag Town Council since 1955. Vice Chairman of the Committee on Social Affairs, Employment and Education; Member of the Committee on Development and Cooperation. Member of the Group of European Progressive Democrats, Ireland.

LUIGI M. ROSATI, born on August 21, 1914, in Romeno (Trento), Italy. Graduate of the University of Torino. Founder and President of various social, cultural and sport organizations. Fought in the Resistance during the 2d World War and imprisoned. Vice President of the joint Parliamentary Committee of the ECC/Greece Association. Member of the Committee on the Social Affairs, Employment and Education. Member of the Christian Democrat Group, Italy.

WILLEM J. SCHUIJT, born June 27, 1909, in Amsterdam. Doctor of Philosophy and Letters. Schoolteacher 1929-45. Member of executive of advisory committee of Resistance 1943-46. Journalist (Paris correspondent of an Amsterdam newspaper, and of Catholic broadcasting service) 1950-56. Deputy secretary-general of "Nouvelles équipes internationales" in Paris 1952-57. Substitute at Consultative Assembly of the Council of Europe, and at Assembly of WEU 1957-60. Member of the municipal council of The Hague since 1970. Member of the Second Chamber of the States-General 1956-71. Member of the First Chamber of the States-General 1971. Member of the Political Affairs Committee, the Legal Affairs Committee, and the Committee on Development and Cooperation. Member of the Restricted Bureau of the Christian-Democratic Group, Netherlands.

JAMES SCOTT-HOPKINS, born November 29, 1921, in London. Educated Eton and Oxford. Marketing Consultant. Regular Army commission, King's Own Yorkshire Light Infantry until 1949 when he retired from the Army and became a farmer. Member of the N.F.U. and the Institute of Directors. M.P. for North Cornwall 1959-66, and for Derbyshire West since 1967. Parliamentary Secretary, Ministry of Agriculture, Fisheries and Food 1962-64. Joint Parliamentary Under-Secretary of State, Ministry of Agriculture, Fisheries and Food. Vice President of the European Parliament. Vice Chairman of the Committee on External Economic Relations, Member of the Political Affairs Committee, and the Committee on Agriculture. Vice Chairman of the European Conservative Group, United Kingdom.

GEORGES SPENALE, born November 29, 1913, in Carcassonne, France. "Licencié en droit." Graduate of "Ecole Nationale de la France d'Outre-Mer." 1938-39, Economic Bureau of French Guinea; 1939-40, military service; 1941-42, district officer in Upper Volta; 1942-43, labor inspector in Ivory Coast; 1943-45, military service; 1946-48, head of the office for the Federation of Equatorial Africa; 1949-50, head of the Information Service of the Ivory Coast; 1951-53, head of the Cameroon Office; 1953-54, Secretary General of Cameroon; 1954-55, Acting High Commissioner in Cameroon; 1955-56, Deputy Director of Political Affairs of French Overseas départements; 1956, Governor of French overseas départements; 1956-57, principal private secretary to Gaston Defferre, Minister of French overseas départements in the Mollet Government; and 1957-62, High Commissioner of France in Togo (until independence). Political career: 1962, Deputy for Tarn département in the National Assembly; 1964, Conseiller général of Rabastens (Tarn); Member of the European Parliament; 1965, Mayor of Saint-Sulpice (Tarn); 1966-67, Chairman of the Parliamentary Committee of Association with Greece; 1967-75, Chairman of the Committee on Finance of the European Parliament; 1968-71, Member of the Steering Committee of the French Socialist Party; 1974-March 1975, Chairman of the Socialist Group of the European Parliament; February 1975, Vice President of the Regional Council of Midi-Pyrénées; and March 1975, President of the European Parliament, France.

MICHAEL STEWART, born November 6, 1906, in Bromley, Kent, England. Educated Christ's Hospital, and St. John's College, Oxford. President of the Oxford Union 1929. Army Intelligence Corps, 1931-42. Former teacher at Merchant Taylor's and the Coopers' Company Schools. M.P. for Fulham since 1950; represented East Fulham 1945-50. Secretary of State for Education and Science 1964-65; Secretary of State for Foreign Affairs 1965-66 and 1968; Secretary of State for Economic Affairs 1966-67; First Secretary of State 1967-68; Secretary of State for Foreign and Commonwealth Affairs 1968-70; Chairman of the Select Committee on Parliamentary Commissioner for Administration 1970. Member of the Political Affairs Committee, Vice Chairman of the Socialist Group, United Kingdom.

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#### MEMBERS OF CONGRESS

BILL ARCHER, Republican, of Houston, Tex.; born in Houston, Tex., March 22, 1928; attended Rice University, 1945-46; University of Texas, B.B.A., LL.B., 1946-51; served in the U.S. Air Force, Korea; elected to Texas House of Representatives, 1966; reelected, 1968; attorney and businessman; president, Uncle Johnny Mills, Inc., 1953-61; married; five children; elected to 92d Congress, November 3, 1970; reelected to both 93d and 94th Congresses; member, Committee on Ways and Means; ranking Republican, Subcommittee on Social Security; member, Subcommittee on Trade; member, White House Commission on Regulatory Reform; chairman, Republican Study Committee Task Force on Regulatory Reform.

EDWARD G. BIESTER, JR., Republican, of Furlong, Pa.; born in Trevoise, Pa., January 5, 1931; attended Doylestown public schools, and the George School; graduated from George School, 1948; graduated from Wesleyan University, 1952; graduated from Temple University School of Law, 1955; admitted to Pennsylvania Bar 1956; assistant district attorney Bucks County, 1958-64; member of the American Bar Association, Pennsylvania Bar Association, Philadelphia Bar Association, Bucks County Bar Association; past president, Doylestown Kiwanis Club; member of board of directors, Bucks County Bar Association; married the former Elizabeth Ruth Lauffer, April 10, 1954; four children; Ann Meredith, Edward G., III, James Paul, and David Robertson; elected November 8, 1966.

PHILIP M. CRANE, Republican, of Mt. Prospect, Ill.; born in Chicago, Ill., November 3, 1930; educated at DePauw University, Hillsdale College, University of Michigan, and University of Vienna, and received M.A. and Ph. D. degrees from Indiana University; served with the U.S. Army, on active duty, 1954-56; 2 years, advertising manager, Hopkins Syndicate, Inc.; taught at Indiana University for 3 years before moving to Bradley University, Peoria, Ill., in 1963 where he taught United States and Latin American history until 1967; served as director of schools, Westminster Academy, Northbrook, Ill., 1967-68; in 1962, employed by the Republican Party as a public relations expert; in 1964, served as director of research for the Illinois Goldwater Organization; at the request of Richard Nixon, served as one of his advisers and researchers on political and national



issues, 1964-68; trustee of Hillsdale College; director of the Intercollegiate Studies Institute; serves on the National Advisory Board of Young Americans for Freedom; married Arlene Catherine Johnson of Chicago; seven girls, one boy; elected to the 91st Congress, by special election, November 25, 1969, to fill the vacancy caused by the resignation of Donald Rumsfeld; reelected to 92d, 93d, and 94th Congresses; member, Committee on Ways and Means.

MILICENT FENWICK, Republican, of Bernardsville, N.J.; born February 25, 1910, in New York City; attended Foxcroft School, Middleburg, Va., 1923-25; attended Columbia University, 1933; New School for Social Research, 1942; associate editor, Conde Nast Publications, 1938-52; served on the Bernardsville Board of Education; chairman of the Bernardsville Recreation Commission; served on the Bernardsville Borough Council, 1958-64; elected to the New Jersey State Assembly in 1969 and reelected in 1971; State Director of Consumer Affairs, 1971-74; two children: Mary Reckford and Hugh H.; eight grandchildren; elected to the 94th Congress, November 5, 1974; committee assignments: Banking, Currency, and Housing; and Small Business.

PAUL FINDLEY, Republican, of Pittsfield, Ill.; born June 23, 1921, in Jacksonville, Ill.; graduated from Illinois College, A.B. degree, LL.D. (honorary), 1973; Phi Beta Kappa; Lindenwood College, D.H.L. degree (honorary), 1969; engaged in the printing and publishing business and publisher of two weekly newspapers; married to former Lucille Gemme; two children, Craig and Diane; veteran World War II; elected to the 87th Congress November 8, 1960; reelected to 88th through 94th Congresses; member, Committee on Foreign Affairs and Committee on Agriculture; secretary, International Movement for Atlantic Union; author, *The Federal Farm Fable* (Arlington House, 1968).

FLOYD J. FITHIAN, Democrat, of Lafayette, Ind.; born in Vesta, Nebr., November 3, 1928; attended public schools there and graduated from Vesta (Nebraska) High School; Peru State College, Nebr., B.A., 1951; graduate work at the University of Nebraska, M.A., 1955, and a Ph. D., 1964; Served in the U.S. Navy with the rank of lieutenant, 1951-55, and in the U.S. Naval Reserves, 1955-71, as commander; held the positions as high school teacher, college professor at Nebraska Wesleyan, and associate professor of history at Purdue University; member: Indiana Cattlemen's Association, Lafayette Farm Cooperative, past president of Indiana Council of Social Studies, American Historical Association, Organization of American Historians, Tippecanoe County Historical Society, and State Council for Social Studies; married to the former Marjorie Heim, 1952; three children: Cindy, Judy, and John; elected to the 94th Congress, November 5, 1974.

DONALD MACKAY FRASER, Democratic-Farmer-Labor, of Minneapolis, Minn.; attorney and former State senator 1954-62; born in Minneapolis, February 20, 1924; educated in Minneapolis public schools and University of Minnesota, B.A., cum laude, 1944, LL.B., 1948; served in Pacific Theater, World War II; 1969-71—chairman, Democratic Study Group; chairman, Commission on Party Structure and Delegate Selection; Democratic Advisory Council; vice chairman of the Commission on the Democratic Selection of Presidential Nominees, 1968; participating member, Anglo-American Parliamentary Conference on Africa, 1964 to present; active in D.F.L. Party since 1947; Congressional adviser on the U.S. Delegation to the U.N. Seabeds Committee; 1973 national chairman, Americans for Democratic Action; married to former Arvonne Skelton; six children (one deceased); partner in former firm of Lindquist, Fraser & Magnuson; elected to the 88th Congress, November 6, 1962; reelected to the 89th, 90th, 91st, 92d, 93d, and 94th Congresses.

L. H. FOUNTAIN, Democrat, of Tarboro, N.C.; born in village of Leggett, Edgecombe County, N.C., April 23, 1913; son of the late Sallie (Barnes) and Lawrence H. Fountain; educated in public schools Edgecombe County and at University of North Carolina—A.B. and J.D. degrees; married Christine Dail of Mount Olive, N.C.; one daughter, Nancy Dail Fountain; World War II veteran of 4 years service; North Carolina State senator 1947-52; Presbyterian elder; member, board of trustees, St. Andrews Presbyterian College; elected November 4, 1952.

SAM M. GIBBONS, Democrat, of Tampa, Fla.; born, in Tampa, January 20, 1920, son of Gunby Gibbons and Jessie Kirk Cralle Gibbons; educated in public schools of Tampa; received J.D. degree from the University of Florida; named to the University's Hall of Fame and to its honor society Florida Blue Key; member of Alpha Tau Omega Fraternity; married to the former Martha Hanley;



they have three sons—Clifford, born 1950; Mark, born 1952; Timonthy, born 1958; elected to the Florida House of Representatives in 1952 and served for 6 years; elected to the Florida Senate in 1958 and served for 4 years; served in U.S. Army 5 years during World War II; elected November 6, 1962. Member of Ways and Means Committee.

BENJAMIN A. GILMAN, Republican, of Middletown, N.Y.; born in Poughkeepsie, N.Y., December 6, 1922; educated in the public schools of Middletown and graduated from Middletown High School, 1941; B.S., Wharton School of Business and Finance, University of Pennsylvania, 1946; LL.B., New York Law School, 1950; veteran of World War II; appointed assistant attorney general, New York State Department of Law, 1953; formed law firm of Gilman and Gilman; attorney for New York State's Temporary Commission on the Courts; served in the New York State Assembly, 1967-72; married Jane Prizant, 1952; five children; elected to the 93d Congress, November 7, 1972; reelected to the 94th Congress; member of International Relations Committee, Select Committee on the MIA, Post Office and Civil Service Committee, Republican Task Force on Energy and Resources, Congressional Advisor to Law of the Sea Conference; appointed to United States Military Academy Board of Visitors, 1973.

WILLIAM LEONARD HUNGATE, Democrat, of Troy, Mo.; born in Benton, Ill., December 14, 1922; Central Methodist College; University of Michigan; graduated from Missouri University, A.B. degree, 1943; and Harvard Law School, LL.B. degree, 1948; partner in the law firm of Hungate & Grewach, Troy, Mo., 1956-68; prosecuting attorney of Lincoln County, and special assistant to the attorney general, 1958-64; a veteran of World War II; married Dorothy N. Wilson of Cyrene, Mo.; two children, David and Kay (Mrs. Branson L. Wood III); elected to the 88th Congress, November 3, 1964, to fill the vacancy caused by the death of Clarence Cannon; reelected to the 89th, 90th, 91st, 92d, 93d, and 94th Congresses; member of House Judiciary Committee, chairman, Subcommittee on Criminal Justice; Committee on Small Business, chairman, Subcommittee on Regulatory Agencies.

JAMES P. JOHNSON, Republican, of Fort Collins, Colo.; born in Yankton, S. Dak., June 2, 1930; B.A., Northwestern University, 1952; LL.B., University of Colorado, 1959; served in the U.S. Marine Corps, 1952-56; prosecuting attorney, Eighth Judicial District, Colorado; municipal judge, Ault, Colo., 1962-65; member, Poudre R-1 School Board, Fort Collins, Colo., 1969-71; president, Larimer County Bar Association; elder, First United Presbyterian Church, Fort Collins, Colo.; member: board of trustees, San Francisco Theological Seminary; board of directors, Fort Collins, Colo., Chamber of Commerce, 1968-70; charter member, Dean's Law Club, University of Colorado; married Nancy Brown of Oconomowoc, Wis., 1952; three children; Dea Lynn, Julie Conner, and Drake Bartel; elected to the 93d Congress, November 7, 1972; reelected to the 94th Congress, November 6, 1974.

JAMES G. MARTIN, Republican, of Davidson, N.C.; born in Savannah, Ga., December 11, 1935; graduate, Mt. Zion High School, Winnsboro, S.C., 1953; B.S. in chemistry, Davidson College, 1957; Ph. D. in chemistry, Princeton University, 1960, associate professor in chemistry, Davidson College, 1960-72; member, Mecklenburg County Board of Commissioners, 1966-72, chairman, 1967-68, and 1970-71; founder and first chairman, Centralina Regional Council of Governments, 1966-69; vice president and trustee, Beta Theta Pi fraternity, 1966-69; president, North Carolina Association of County Commissioners, 1970-71; vice president, National Association of Regional Councils, 1970-72; current national president of Beta Theta Pi, 1975-78; Mason, married Dorothy Ann McAulay, 1957; three children; Jimmy, Emily, and Benson; elected to the 93d Congress, November 7, 1972; reelected to the 94th Congress.

RICHARD M. NOLAN, Democrat-Farmer-Labor, of Waite Park, Minn.; born in Brainerd, Minn., December 17, 1943; married, the former Marjorie Langer; four children: Michael, Leah, John, and Katherine; attended St. John's University, Collegeville, Minn., 1962; B.A., political science, University of Minnesota, 1966; postgraduate work in public administration and public policy formation of the University of Maryland, 1967; educational director for Headstart for three central Minnesota counties, 1968; curriculum coordinate for Adult Basic Education for Little Falls School District, 1968; social studies teacher in Royalton, Minn., 1968-69; project coordinator for the Center for the Study of Local Government at St. John's University in Collegeville, Minn., 1971; staff assistant

to U.S. Senator Walter F. Mondale, 1966-68; elected to Minnesota House of Representatives in 1968 and reelected in 1970; Federal/State coordinator for the Minnesota House of Representatives 1973 legislative session; general labor at United Parcel Services, 1964-66; member of Teamsters Union; administrative assistant to the senior vice president of Fingerhut Corp., 1973-74; elected to the 94th Congress, November 5, 1974.

CLAIBORNE PELL, Democrat, of Newport, R.I.; born November 22, 1918, in New York City, son of Congressman Herbert Claiborne and Matilda (Bigelow) Pell; St. George's School, Middletown, R.I., 1933-36; Princeton University, 1940, A.B., Columbia University, A.M.; married Nuala O'Donnell in December 1944; children: Herbert III, Christopher, Dallas, and Julia; business executive, investments; Coast Guard, World War II, specialist assistant at San Francisco United Nations Conference; served 7 years in United States Foreign Service and State Department; elected November 8, 1960; reelected November 8, 1966; reelected November 7, 1972.

THOMAS M. REES, Democrat, of Los Angeles, Calif., born in Los Angeles, Calif., on March 26, 1925; graduated from Occidental College in 1950, B.A. in political science; served with 3d Army during World War II; attorney, member California State Bar; District of Columbia Bar; member of board, Connoisseur Wine Imports, 1965-68; married the former Lenne Boccardo of Los Gatos; two sons, Evan and James; member of California State Assembly, representing 50th Assembly District, 1954-62; State senator representing Los Angeles County, 1962-65; elected to the 89th Congress in a special election on December 15, 1965, to fill the vacancy caused by resignation of James Roosevelt; reelected to 90th, 91st, 92d, 93d, and 94th Congresses; member of the Banking, Currency and Housing Committee: chairman, Subcommittee on International Trade, Investment and Monetary Policy; subcommittee on Economic Stabilization; Subcommittee on Housing and Community Development; Subcommittee on International Development Institutions and Finance; Committee on the District of Columbia; Subcommittee on Fiscal Affairs; Subcommittee on Judiciary; member, National Commission on Supplies and Shortages; areas of special legislative interest: monetary policy, urban problems, and foreign trade.

HENRY S. REUSS, Democrat, of Milwaukee, Wis.: born in Milwaukee, Wis., February 22, 1912; A.B. Cornell University. LL.B. Harvard Law School; lawyer lecturer (University of Wisconsin, Milwaukee), and writer; author of "The Critical Decade," 1964; "Revenue Sharing: Crutch or Catalyst," 1969; member of Milwaukee School Board, 1953-55, married to Margaret Magrath, 1942; four children—Christopher, Michael, Jackqueline, Anne; assistant corporation counsel, Milwaukee County, 1939-40; assistant general counsel OPA, Washington, D.C., 1941-42; United States Army 1943-45; deputy general counsel, Marshall Plan, Paris, France, 1949; special prosecutor, Milwaukee County Grand Jury 1950; former president, White Elm Nursery Co., Hartland, Wis.; former director Marshall and Ilsley Bank, Milwaukee, Wis., and Niagara Share Corporation, Buffalo, N.Y.; elected November 2, 1954. Member, Banking, and Currency Committee; Committee on Government Operations, and Joint Economic Committee.

BENJAMIN S. ROSENTHAL, Democrat, of Elmhurst, Long Island, N.Y.; born in New York City, N.Y., June 8, 1923; educated in the public schools of the city of New York; attended Long Island University and City College; LL.B. Brooklyn Law School (1949), LL.M. New York University (1952); married Lila Moskowitz, two children—Debra and Edward; attorney; admitted to New York Bar 1949; admitted to practice before United States Supreme Court 1954; served in United States Army March 1943 to January 1946, 18 months in Iceland; elected as Democrat-Liberal to the 87th Congress in special election February 20, 1962; reelected to the 88th, 89th, 90th, 91st, 92d, 93d, and 94th Congresses; appointed member of National Commission on Food Marketing during 88th and 89th Congresses.

LEO J. RYAN, Democrat, of South San Francisco; born in Lincoln, Nebr., May 5, 1925; M.S. Creighton University, 1951; enlisted in U.S. Navy, 1943, served in submarine service; teacher; school administrator; appointed to South San Francisco Recreation Commission; elected city councilman and served as mayor; authored book entitled "Understanding California Government and Politics"; also edited the book "The USA: From Where We Stand"; elected to California State Assembly, 1962; elected to the 93d Congress, November 7, 1972; reelected to the 94th Congress.

STEPHEN J. SOLARZ, Democrat, of Brooklyn, N.Y.; born in New York City, September 12, 1940; attended New York public schools; graduated from Brandeis



University, received master's degree in public law and government from Columbia University; elected to New York State Assembly, three terms, 1968 through 1972; ranking minority member, Higher Education Committee; member: Executive Board of America Jewish Congress, League School for Seriously Disturbed Children, B'nai B'rith; married to the former Nina Koldin; two children: Randy and Lisa; elected to the 94th Congress on November 5, 1974; member, International Relations Committee (Subcommittee on International Economic Policy, Subcommittee on International Resources, Food, and Energy), Post Office and Civil Service Committee (Subcommittee on Manpower and Civil Service, Subcommittee on Employee Political Rights and Intergovernmental Property); member: DSG, Members of Congress for Peace through Law, Environmental Study.

JOHN WILLIAM STRATTON, Republican, of Painesville, Ohio; born in Painesville February 20, 1924; graduated from Culver Military Academy, Culver, Ind., in 1942; entered the School of Foreign Service at Georgetown University, Washington, D.C., in July 1942; left studies to enter the U.S. Army in December 1942; served overseas in the Pacific theater for 33 months and discharged as a captain January 1, 1946; reentered Georgetown University, majored in government and economics, and received B.S. degree in 1949; member, St. Mary's Catholic Church in Painesville; Lake County commissioner 1956-64; married December 3, 1966, to the former Peggy Smeeton; one daughter, Kelly Marie, born November 11, 1967; elected to the 89th Congress, November 3, 1964; reelected to each succeeding Congress.

PAUL TSONGAS, Democrat, of Lowell, Mass.; born in Lowell, February 14, 1941; graduated, Lowell High School; B.A., Dartmouth College, Hanover, N.H., 1962; LL. B., Yale Law School, New Haven, Conn., 1967; served as Middlesex County Commissioner and Lowell City Councilor; private law practice; deputy assistant attorney general, Governor's Committee on Law Enforcement; served with the Peace Corps in Ethiopia and West Indies; active in Jaycees; married to the former Nicola Sauvage; one daughter: Ashley; elected to the 94th Congress, November 5, 1974.

CHARLES W. WHALEN, Jr., Republican, of Dayton, Ohio; born July 31, 1920; graduate of Oakwood High School; B.S. degree in business administration, University of Dayton, 1942; M.B.A. degree, Harvard University Graduate School of Business, 1946; honorary LL.D., Central State University, 1966; enlisted U.S. Army, World War II, discharged as 1st lieutenant in 1946; vice president of the Dayton Dress Co., 1946-52; professor of economics and chairman of the department, University of Dayton, 1962-66; Ohio State representative, three terms, 1955-60; Ohio State senator, two terms, 1961-66; married the former Barbara Gleason, of Sidney, Ohio, December 27, 1958; six children, Charles E., Daniel D., Edward J., Joseph M., Anne Elizabeth, and Mary Barbara; elected to the 90th Congress November 8, 1966; reelected to 91st, 92d, 93d, and 94th Congresses; member of the House International Relations Committee, District of Columbia Committee, and the House Commission on Information and Facilities.



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